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Reportage on G-15 Summit in Kuala Lumpur

AFP Previews Summit

BK2905071490 Hong Kong AFP in English 0644 GMT 29 May 90

[By Bob Willis]

[Text] Kuala Lumpur, May 29 (AFP)—Leaders from 15 developing countries are meeting at a verdant hilltop retreat here this week in a bid to boost Third World trade and co-operation. They are also aiming to strengthen the South's leverage in its dealings with industrialised countries. The leaders from the so-called Group of 15 (G-15) developing nations will also seek at the group's inaugural summit to establish a support mechanism to implement their programmes, a Malaysian Foreign Ministry spokesman said.

Besides Malaysia, the other G-15 members are Algeria, Argentina, Brazil, Egypt, India, Indonesia, Jamaica, Mexico, Nigeria, Peru, Senegal, Venezuela, Yugoslavia and Zimbabwe. The heads of government from all participating nations were invited but as of Tuesday [29 May] only 10 had confirmed they would attend. The presidents of Jamaica, Egypt, Brazil, Mexico and Peru are expected to send representatives.

Officially called the summit level group for South-South co-operation and consultation, the June 1 to June 3 meeting was slated to be preceded by two days of working-level talks. The meeting will seek to promote South-South co-operation and will review the international economic situation with a view to developing a common outlook and common strategies, the Foreign Ministry spokesman said. Delegates here are hoping that G-15 could be used as a conduit for talks on economic issues between the developing countries and the group of seven industrialised democracies—Britain, Canada, France, Italy, Japan, the United States and West Germany. The agenda was hammered out following four working group meetings.

The formation of G-15 was first announced by former Tanzanian president Julius Nyerere at the Non-Aligned Movement (NAM) summit in Belgrade in September. Mr. Nyerere is chairman of the South Commission and is expected to attend the conference, held at a hilltop guest house in the center of this capital of palm-lined avenues, graceful minarets and gleaming office buildings.

Although Malaysian Prime Minister Mahathir bin Mohamed called for the debt of world's poorest countries to be written off at the Commonwealth summit, also held here last year, informed sources said the debt issue was not expected to be a focus of the talks. Philippine Ambassador to Malaysia Rodolfo Severino said "the question of debt was not touched" at a Monday briefing at the Foreign Ministry. He said the conference—involving the more prosperous though, in the case of the Latin American nations, most debt-strapped third world nations—would instead focus on "practical, feasible, implementable projects."

A Yugoslav official concurred, saying many Third World conferences, such as the NAM conference and the Group of 77, had in the past failed in their lack of proper follow-up.

Malaysian officials here in the run-up to the conference said the summit would focus on ramming through some eight to 10 projects of a largely technical nature. Two of the proposals, calling for approval of a new payments system to boost Third World trade and establishment of a data bank on investment opportunities in developing countries, would be put forth by Kuala Lumpur. India is expected to call for setting up a gene bank to promote cooperation in biotechnology, a project to develop solar energy for refrigeration and a plan to liberalize tariffs. Among other proposals, Yugoslavia will call for setting up an information system on technologies and projects, and Argentina is expected to propose furthering private sector involvement in the Third World.

The Yugoslav official said the summit "should be catalytic" in enhancing South-South cooperation. "The idea is to have a summit every year and a kind of review of assessments and adopt practical solutions," the official said.

Nyerere, Mugabe Arrive

BK3105064490 Kuala Lumpur International Service in English 0600 GMT 31 May 90

[Text] President Robert Mugabe of Zimbabwe has called for solidarity among the South countries. He said on arrival in Kuala Lumpur today that solidarity would ensure greater interaction, trade, and the sharing of technologies among developing countries. Mr. Mugabe, who will attend the G-15 [Group of 15] summit from tomorrow, said he would look at international issues with the host.

The chairman of the South Commission, J.K. Nyerere, flew in later with a five-member delegation. He described the summit as an important step for South countries to get themselves well organized like developed nations in the North.

Indonesia's Suharto Arrives

BK3105132290 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 31 May 90

[Text] Indonesian President Suharto arrived in Kuala Lumpur today to attend the inaugural summit of the G-15 [Group of 15] beginning tomorrow. He was met by Defense Minister Tengku Rithauddeen on arrival at the airport.

President Suharto is leading Indonesia's 38-member delegation. Indonesia has a population of approximately 188 million, comprising of Malays as the majority, Chinese, and Irians.

India's V.P. Singh Arrives

BK3105135490 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 31 May 90

[Text] Indian Prime Minister Vishwanath Pratap Singh was given an official welcome by Prime Minister Datuk Sri Dr. Mahathir bin Mohamed on his arrival to attend the G-15 [Group of 15] summit in Kuala Lumpur beginning tomorrow.

India has a population of 850 million, covering an area of 3,287 million square kilometers.

Egypt's Butrus Ghali Arrives

BK3105133690 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 31 May 90

[Text] The Egyptian minister of state for foreign affairs, Mr. Butrus Ghali, representing President Mubarak, arrived in Kuala Lumpur today, leading a four-member delegation.

Egypt is the major producer of textiles, processed food, and iron-based goods in West Asia. Its industries also include tourism and construction.

Nyerere on Summit's Significance

BK3105071290 Kuala Lumpur BERNAMA in English 0633 GMT 31 May 90

[Text] Kuala Lumpur, May 31 (OANA-BERNAMA)—South Commission Chairman Dr. Julius Nyerere said Thursday [31 May] that the formation of the Group of 15 (G-15) marks the start of developing nations finally organising themselves to effectively champion issues confronting the Third World. He said unlike the North, there is a lack of coordination among developing nations, thus resulting in the South being not organised. "They (South) meet, and go home and then nothing," he said referring to previous meetings of Third World countries.

Dr. Nyerere spoke to reporters on his arrival at the Kuala Lumpur International Airport for the three-day G-15 summit beginning Friday [1 June].

Dr. Nyerere, who has been instrumental in the setting up of the group, said he was very pleased when the G-15 was announced at last year's Nonaligned Movement summit in Belgrade. He said when he was informed of the group's plan to hold annual summits and be served by a permanent secretariat, he thought: "This is the real beginning of the South organising itself." He compared the "disorganised" South with the developed countries' highly organised OECD (Organisation of Economic Cooperation and Development) Secretariat in Paris which, he said, has a staff of 2,000 including 900 professionals.

Dr. Nyerere is attending the summit to present a copy of the South Commission's report on economic problems of the Third World and recommendations on how to resolve them. He however declined to reveal the contents of the report, saying that it will be officially issued in Caracas, Venezuela on Aug 2. The South Commission had approved the report at its meeting in Cyprus early this month.

He said the 28-member commission will wind up its work in October after three years' of work. But the commission would monitor how its recommendations are implemented or taken up by developing nations as well as developed countries.

G-15 Summit Opens 1 June

BK0106044290 Kuala Lumpur BERNAMA in English 0336 GMT 1 Jun 90

[Text] Kuala Lumpur, June 1 (OANA-BERNAMA)—Leaders of 15 developing countries Friday [1 June] began three days of summit talks here to set the lead and show by example how Third World nations can strengthen economic cooperation among themselves. The meeting of the group for south-south consultation and cooperation or group of 15 (G-15) is expected to launch several economic projects for the benefit of developing countries and issue a communique.

Nine heads of government and representatives of the six leaders who could not come are attending the meeting, which officially opened at Parliament House here. Three leaders—Malaysian Prime Minister Dr. Mahathir bin Mohamed, President Abdou Diouf of Senegal, and former Tanzanian President Dr. Julius Nyerere, who is chairman of the South Commission—spoke at the opening ceremony.

The member nations of the G-15 are Algeria, Argentina, Brazil, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela, Yugoslavia, and Zimbabwe.

The summit proper, which will be in closed session, will begin in the afternoon at Carcosa, one of the two mansions of Carcosa Seri Negara, an exclusive hotel located in the midst of the lush greenery. Dr. Mahathir will chair all the closed sessions and lead discussions on items on the agenda. The leaders will study proposals by several member countries for the implementation of economic projects beneficial to developing nations. They will also review the global economic situation and its impact on developing countries and consider the Third World debt problem, the emergence of economic regionalism such as the United States-Canada trade pact, and the single European unit in 1992. On Sunday, Dr Mahathir will release the communique, and the heads of government are expected to meet the media.

The G-15 summit comes at the end of a series of preparatory meetings by personal representatives of the heads of government held in Geneva and one just before the summit in Kuala Lumpur.

The idea of having a group like the G-15 was born out of the process of studies carried out by the South Commission and consultations within the commission and between Dr. Nyerere and others. The South Commission was formed in July 1987 as an independent body to undertake the task of drawing up proposals to solve economic problems affecting the Third World.

Mahathir Addresses Summit

BK0106053990 Kuala Lumpur BERNAMA in English 0430 GMT 1 Jun 90

[Text] Kuala Lumpur, June 1 (OANA-BERNAMA)—The inaugural summit meeting of the Group of 15 (G-15) began here Friday [1 June] with Malaysian Prime Minister Dr. Mahathir bin Mohamed making a strong plea to South countries to tap the benefits of the large economic potential arising from economic cooperation and increased trade with each other. To achieve this, the prime minister called on the developing South countries to restructure their huge markets which were now largely accessible only to the developed countries of the North. The nations of the South were practically all quite ignorant of the tremendous trade opportunities that had been exploited by the traders of the North, the prime minister said in a speech which set the tone for discussions during the three-day summit.

Dr. Mahathir asked the South countries to redress an area crucial to their economic cooperation—the absence of any direct air links between themselves.

Member countries of the G-15 are Algeria, Argentina, Brazil, Egypt, India, Indonesia, Jamaica, Mexico, Nigeria, Peru, Senegal, Venezuela, Yugoslavia, Zimbabwe, and Malaysia. Nine of the G-15 member countries are represented by either their presidents or prime ministers to the summit while the rest mostly by their foreign ministers on behalf of their heads of government.

Dr. Mahathir said the "southern routes" between the countries of the South must be studied and initiated in view of its importance for trade and commerce. "It is important and will be profitable in itself. Let us look at all our communication potentials and let us take the risk," he said, adding a start must be made and the risk be spared between those who could afford.

Dr. Mahathir said the G-15, which was formed at the nonaligned summit in Belgrade last year, was not meant as a group to counter the Group of 7 industrialised countries of the North. He explained the G-15 instead was formed to enable the developing countries to sit in conference to discuss and find solutions to the problems besetting the South countries. The prime minister said the G-15 would also foster dialogue with the North because the absence of such a dialogue had caused the economic gap between the North and South to widen further since the failure of the first North-South dialogue.

Dr. Mahathir, who is chairman of the summit, blamed the North for most of the problems confronting the South, arguing that such problems could not be due to South-South interaction since "we have very little to do with each other." "If there are South-South problems, they are between neighbours. Even here we often see the hands of the North," he said, citing as an example, the Iran-Iraq war where the same country was supplying arms to both sides.

Referring to external debt, he said this massive problem was not due to the South purposely wanting to borrow and not paying up. He underlined the need for lenders to be prepared to accept the risks of lending and to devise workable solutions and if all else failed, to accept losses. Nations cannot be "bankrupted" in the same way companies or individuals were, he said, adding that "you cannot tell a people to live at subsistence level until they pay off their debts." "Bankrupts can die, nations cannot. We cannot make debt-slaves of nations, not in this so-called enlightened age," he added.

The prime minister called on the South nations to continue their dialogue with the North in order to solve their debt problems and their deteriorating terms of trade through creation of new approaches.

Japan

Bank Governor on Role as Price Stability Anchor

OW2805222890 Tokyo KYODO in English 0654 GMT 28 May 90

[Text] Tokyo, May 28 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno suggested Monday that Japan play the role of an anchor of price stability, rather than acting as a pacesetter of lower interest rates, to maintain sustained world economic growth.

Mieno, in an address to business leaders in Tokyo, said it is not enough for Japan to concentrate only on reducing its huge external imbalances with other major nations, when the nation has a strong potential to act as an anchor of stability on the price front to promote global economic expansion without inflation.

While underscoring the importance of worldwide cooperation on price stability, Mieno dismissed demands still emanating from some countries that Japan act as the pacemaker for the rest of the world in setting the lowest-possible interest rates.

Mieno's statement was interpreted by some financial analysts as indicating that Japan will continue to retain leeway in managing its own monetary policy regardless of outside pressures to force it to maintain what are currently the lowest interest rate levels among the major industrial nations.

As central bank governor of the world's largest creditor nation, Mieno singled out three other areas Japan should place emphasis on maintaining the impetus of the present dynamic growth of world economic activity.

Mieno emphasized that Japan needs to make additional efforts to open its markets to foreign countries and step up deregulation of certain industries, to eliminate what are regarded overseas as barriers to trade and investment.

He also called for Japan to contribute to building a worldwide infrastructure to achieve freer and more effective economic systems, and a continuation of its aid to developing countries from the longer-term perspective.

On the domestic economic front, Mieno said he sees little signs of inflationary pressure gaining strength as Japanese prices and markets have now regained stability.

The central bank chief said the so-called "triple weakness"—plunges in stock and bond prices and rapid depreciation of the yen's value against the U.S. dollar since the start of the year—has apparently subsided at this point. Nevertheless, a careful watch should be kept on currency movements, he said.

Mieno cited an acceleration in the money supply growth pace as a major concern threatening to the continuation of noninflationary economic growth in view of the nation's real economic performance. The high growth rate in the money supply, Mieno said, reflects in part recent changes sweeping the financial and capital markets, in particular ongoing liberalization of interest rates and the growth of so-called borderless financial transactions.

Plans To Give Foreign Brokers Direct Access

OW2905041590 Tokyo KYODO in English 0824 GMT 28 May 90

[Text] Tokyo, May 28 KYODO—The Finance Ministry plans to allow foreign brokerage houses to directly deal with Japanese investors as early as July in its latest drive to relax controls on financial activity, ministry officials said Monday. The measure will make it possible for individuals and corporations to purchase stocks and other financial products through foreign brokerage houses without placing related orders with domestic brokerage houses, they said.

Also, the Japanese will be able to receive dividends and settle related transactions with their overseas desposit accounts as the ministry has pledged in talks with the U.S. Treasury to allow individuals and corporations freedom to use offshore deposit accounts for their portfolio management.

Under a law governing foreign brokerage houses, the foreign concerns are required to set up subsidiaries in Japan to do business with the Japanese. The law only permits nonresident brokerage houses to do business with their Japanese counterparts and other financial institutions.

On the part of Japanese corporations, the relaxation will save them setting up overseas subsidiaries for investment in financial products abroad which are not approved in Japan.

But the officials said the ministry intends to maintain its ban on advertisements and other sales promotion campaigns by foreign brokerage houses in Japan in order to protect Japanese investors from possible losses.

U.S. Call for More Public Spending Rejected

OW3105130390 Tokyo KYODO in English 0924 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—A senior Finance Ministry official rejected Thursday a U.S. request that Japan boost its public spending to 9 percent of its gross national product (GNP) over a five-year period.

Speaking to reporters on condition of anonymity, the official said Tokyo has no intention of setting a figure based on GNP for public spending. "The United States has raised an issue which has already been settled. I can't understand why they made such a request," he said.

The U.S. made the call during unofficial talks in Hawaii on May 23-24 on the so-called Structural Impediments

Initiative (SII), bilateral consultations aimed at eliminating structural barriers to trade and investment in an effort to reduce the trade gap between Japan and the U.S.

Japan's public spending is one of the focuses in the SII talks, in which the U.S. is urging Japan to raise its public spending siginificantly to help boost domestic demand and slash its chronic trade surplus with the U.S.

Japan has not made any commitment to specific figures or percentages for its public outlays based on GNP, but has promised to show a target amount for such spending in a final report on the SII talks due out in July.

Vehicle Export Decline to U.S. Reported

OW3105091290 Tokyo KYODO in English 1231 GMT 30 May 90

[Text] Tokyo, May 30 KYODO—Japan's exports of cars, trucks and buses took the biggest drop in nearly 15 years in April, falling 18.0 percent from a year earlier to 430,216 vehicles, the Japan Automobile Manufacturers' Association said Wednesday.

The decline was the largest since March 1975 when exports shrank 21.4 percent in the wake of slack demand abroad stemming from the first world oil crisis, association officials said.

They blamed the drop largely on slack exports to the United States, which slid 38.2 percent to 136,231 vehicles owing to a weak U.S. market. U.S.-bound exports account for more than 30 percent of total exports.

Vehicle exports to the United States have been declining for several months because of slowing demand there as well as increased production by Japanese automakers with U.S. plants.

On an overall basis, passenger car exports fell 15.8 percent to 321,917 in number, while truck exports went down 24.9 percent to 104,968.

Bus exports, however, rose 25.5 percent to 3,331.

Toyota Motor Corp., Japan's largest automaker, suffered the largest decline, with its exports dwindling 34.7 percent to 132,227 vehicles. Nissan Motor Co., the second largest automaker, also saw a decline in exports, by 6.5 percent to 67,344.

Camp Hansen Combat Training Facilities To Close

OW3105030590 Naha RYUKYU SHIMPO in Japanese 27 May 90 Morning Edition p 2

[Text] Keijiro Yanai, director of the Naha Defense Facilities Administration Bureau [DFAB], confirmed for the first time on 24 May that the DFAB had a plan to remove the urban combat training facilities at Camp Hansen in Onna Village in two years (by the end of the next fiscal year). He disclosed in concrete terms that work was now under way to withdraw the existing facilities and complete the new facilities in two years. It was the first time that plans for "removing" existing facilites, as well as for completing new facilities, had been mentioned.

Stray Bullet Incident Reported Near Camp Hansen

OW3105040290 Naha RYUKYU SHIMPO in Japanese 28 May 90 Morning Edition p 1

[Text] Ginoza-son—A bullet was found to have broken through a window of a kitchen of the house of Mr. Kanshin Ashitomi, farmer, at 1780-2, Kanna, Ginoza-son, around 0120 on 27 May. Upon receiving an emergency report about it from Mr. Ashitomi by the 110 phone service, policemen from Ishikawa Station and the Prefectural Police's First Investigation Division conducted an inspection of the site and neighborhood. The bullet was subsequently sent to the Scientific Investigation Laboratory of the prefectural police for analysis and evaluation. Since Camp Hansen training grounds are located nearby, the police are investigating also the possibility that the bullet came from the base area.

According to Ishikawa Police Station, the bullet found was 1.7 centimeters in length and 0.7 centimeters in diameter. The bullet of red copper color was relatively new, and was rather round at its end. Five members of Mr. Ashitomi's family were asleep at the time of the occurence of the incident, and no one was injured.

The bullet went through a spot 1.79 meters above the ground, and fell to the floor after hitting a refrigerator in the kitchen. The house is located on a residential area about 100 meters toward the sea from State Highway 320. The bullet came from the direction of the Public Hall of the Kanna District north of Mr Ashitomi's house. Extending the direction of the bullet's trajectory leads to the U.S. Marine Corps' Camp Hansen, about two kilometers away. In reply to Ishikawa Police Station's inquiries, the U.S. forces said: "There are no firing exercises conducted on these marching grounds, and there was no exercise conducted using live ammunition anywhere near that location at the time of the incident."

USSR Payment Delay Request Rejected

OW3005144390 Tokyo KYODO in English 1421 GMT 30 May 90

[Text] Osaka, May 30 KYODO—Japan's 11 major trading houses, in a letter sent to a Soviet committee on Wednesday, rejected a Soviet request that payments for textile imports be postponed for a year, company officials said.

A Soviet committee in charge of imports of textile goods has requested a change in the terms of payment that would allow it to pay for goods one year after receiving the shipping advice instead of 21 days at present.

Japan exports some 230 million dollars worth of textile goods to the Soviet Union a year, of which about 34 million dollars are imported by the Soviet Committee.

A delay in Soviet payments for part of the textile imports from Japan has been seen since the beginning of this year, but the Soviet Union is continuing with the payments.

Envoys Hint at Gorbachev Asian Policy Speech

OW0106005290 Tokyo KYODO in English 1436 GMT 31 May 90

[Text] Tokyo, May 31 (KYODO)—Soviet President Mikhail Gorbachev may make a major address on his country's Asia-Pacific policy when he visits the Kamchatka Peninsula in the Soviet Far East on June 5, Soviet diplomatic sources in Tokyo confirmed Thursday. "Maybe it will be a continuation of the speeches he made in Vladivostok in (July) 1986 and Krasnoyarsk in (September) 1988," said one of the diplomats, who spoke on condition of anonymity.

The diplomat was referring to the two major addresses delivered by Gorbachev in the two cities in the Soviet Far East, which form the blueprint of Moscow's foreign policy in the Asia-Pacific region.

Gorbachev is reportedly planning to deliver his third biennial address in the port city of Petropavlovsk, the capital of Kamchatka, upon his return from meetings in the United States with U.S. President George Bush and South Korean President No Tae-u.

On the prospect of Gorbachev's touching on Soviet-Japanese affairs if the speech is realized, one official said, "we do not exclude the possibility that Japan can be mentioned...because Japan is a major country in this region."

Relations between the two countries have been strained throughout the postwar period due to a dispute over four islands north of Hokkaido which lie between the Pacific Ocean and the Sea of Okhotsk. But Japanese and Soviet officials have both indicated it is time to begin "setting the mood" in advance of Gorbachev's anticipated visit to Japan in 1991, which will be the first ever by a Soviet leader.

In his 1986 Vladivostok address, Gorbachev hinted that Soviet "new thinking" diplomacy would have implications for the Asia- Pacific region. The speech also illustrated the Soviet Union's desire to benefit from the economic dynamism of the Pacific basin.

Gorbachev offered to withdraw Soviet troops from Mongolia and Afghanistan, which was an obstacle in the way of better relations with China, and he indicated that the Cambodian problem should be settled expeditiously.

In his more comprehensive 1988 Krasnoyarsk address, Gorbachev called for a freeze on nuclear weapons, multilateral discussions on air and naval force reductions, nuclear free zones, and the adoption of regional confidence-building measures (CBMS).

He also proposed a Soviet pullout from Vietnam's Cam Ranh Bay in exchange for the U.S. dismantling its bases in the Philippines and called for an expansion of cooperative ties with Asia-Pacific countries in economic and political fields. But the proposals have been widely greeted in Japan and the West with skepticism, being viewed as a Soviet attempt at enhancing its image and position in the region.

A Japanese Foreign Ministry source agreed with the Soviet diplomats that Gorbachev's third regional policy address, if it materializes, will likely be "in line" with the Vladivostok and Krasnoyarsk addresses. But he pointed out on a pessimistic note that the address could turn out to be a mere "renewal of old proposals."

Soviet Decision on Grave Visits Welcomed

OW3105054290 Tokyo KYODO in English 0442 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—Japan said Thursday the Soviet Union's decision to allow grave visits to Etorofu Island, the most militarily significant of four Soviet-held islands claimed by Japan, will contribute to friendly relations.

"The conditions are becoming thaw-like," top government spokesman Misoji Sakamoto said.

Japan's demand for the return of the islands held by the Soviet Union since World War II remains unchanged, Sakamoto said: "But this is an era of major changes, and we intend to see a balanced expansion of political and economic relations starting with personnel exchanges."

On Wednesday the Foreign Ministry said the Soviet Union will allow grave visits by relatives of former Japanese residents to Etorofu this summer. Such visits have already been allowed to the other islands.

Etorofu is the largest of the four occupied islands, located east of Hokkaido, and is the site of an Air Force base. There are about 1,400 Japanese graves on the island.

The Soviet Union allowed a resumption of memorial visits by Japanese to the islands of Habomai and Shikotan in 1986, and to Kunashiri in 1989.

The visits, which began in 1964, were interrupted in 1976 after the Soviet Union required Japanese visitors to obtain visas.

Prospects of ROK-USSR Summit Welcomed

OW3105115890 Tokyo KYODO in English 0922 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—The Japanese Government Thursday welcomed the planned summit between South Korean President No Tae-u and Soviet President Mikhail Gorbachev, saying the meeting could lead to reduced tension on the Korean Peninsula.

The Government also expects the summit, to take place on Monday, to help improve relations between Japan and North Korea, Chief Cabinet Secretary Misoji Sakamoto told a regularly scheduled news conference.

"If there is a new development in relations between South Korea and the Soviet Union, the Japanese Government should make an effort to move relations with North Korea one step forward," Sakamoto said. He said Japan had received prior word from South Korea about the summit, to take place in San Francisco after Gorbachev finishes a round of talks with U.S. President George Bush.

The Soviet Union has close ties with North Korea, but does not maintain formal diplomatic ties with South Korea.

On Wednesday, the ruling Liberal Democratic Party, the Government, and the Japan Socialist Party (JSP), agreed it is time to improve relations with Pyongyang.

Japan has no diplomatic ties with North Korea, but the JSP has regular contacts with the (North) Korean Workers' Party.

Kaifu Views Planned Meeting

OW0106093490 Tokyo KYODO in English 0829 GMT 1 Jun 90

[Text] Tokyo, June 1 KYODO—Japanese leaders Friday welcomed a meeting between Soviet President Mikhail Gorbachev and South Korean President No Tae-u scheduled for Monday [4 June] in San Francisco. Prime Minister Toshiki Kaifu told a group of reporters at the Diet, "there used to be a gap between South Korea and the Soviet Union, but the gap is lessening."

"We want to see whether this will lead to the establishment of full diplomatic relations (between the two nations)," he added. The prime minister said the No-Gorbachev meeting is the result of continuous efforts by South Korea, which has sent many people from various fields to the Soviet Union.

Gorbachev and No will meet in San Francisco on Monday after the conclusion of summit talks between the Soviet president and U.S. President George Bush.

Foreign Minister Taro Nakayama told the House of Councillors Committee on Foreign Affairs that he thinks the meeting will have an "impact" on the political development of the Korean peninsula. Nakayama, however, cautioned that it is not possible to forecast how North Korea and China will react to the No-Gorbachev meeting, but added it is a "positive direction" for developments on the peninsula.

Also on the eve of Cambodian peace talks in Tokyo, Nakayama acknowledged that major initiatives toward the alleviation of tensions throughout Asia have been set in motion, saying he welcomes the developments.

A Japanese Foreign Ministry source later confirmed that Japan had received notice from South Korea of the No-Gorbachev meeting before it was officially announced. But the source declined to comment on whether that notice was given during No's visit to Japan May 24-26.

The source said that Japan welcomed the news on the meeting when it was informed of it. "We have repeatedly made it quite clear that we welcome an improvement in the relations between the Republic of Korea and the Soviet Union because we think it would be inducive to the relaxation of tensions on the Korean peninsula," the source said.

Foreign Minister Comments

SK0106093790 Seoul YONHAP in English 0910 GMT 1 Jun 90

[Text] Tokyo, June 1 (YONHAP)—Japanese Prime Minister Toshiki Kaifu has welcomed the summit between South Korean President No Tae-u and Soviet President Mikhail Gorbachev. "It is a very good thing resulting from various Korean efforts. Although we cannot say they have been antagonistic toward each other, there has been some distance between the two countries," Kaifu said Friday. "The two countries have begun to move in the direction of narrowing the distance between them and normalizing bilateral relations by agreeing to hold the summit meeting. Japan will watch the result," he said.

Foreign Minister Taro Nakayama was optimistic that the Korea-Soviet summit would be conducive to the creation of a new political climate on the Korean peninsula.

Answering an opposition lawmaker's question during a lower house Foreign Affairs Committee session, he said, "It is difficult to tell how North Korea and China will react to the Seoul-Moscow summit, but it is no wonder that it would better the political climate on the peninsula. I feel a new, significant movement has just begun in Asia.

Multi-Entry Visa Agreement Signed With ROK

SK2605023290 Seoul YONHAP in English 0204 GMT 26 May 90

[Text] Tokyo, May 26 (OANA-YONHAP)—South Korean and Japanese ministers signed Friday accords on the issuance of multiple-entry visas, on the peaceful use of atomic energy, on ocean search and rescue and on emergency shelter for ships.

Foreign Ministers Choe Ho-chung of Korea and Taro Nakayama of Japan agreed to issue multiple entry visas to each other's citizens. Visas are currently issued for one-time entry. Under the agreement, citizens of the two countries will be issued multiple entry visas valid for one year or three years, depending upon the purpose of the visits.

Short-term visitors, students, those traveling for business or cultural purposes and skilled workers will receive one-year visas, while diplomats, government officials, journalists and businessmen will be granted three-year visas.

The science and technology ministers agreed to establish a nuclear energy cooperation committee this year to tackle security and the disposal of nuclear waste in an emergency.

The two also agreed to make common efforts to persuade North Korea to join the nuclear safeguards agreement of the International Atomic Energy Agency and to cooperate in development of a next-generation nuclear reactor.

Meanwhile, Japan's Trade and Industry Minister Muto Kabun told his Korean counterpart Pak Pil-su that Japan will dispatch a large buying mission to Korea at an early date in order to help rectify the chronic trade imbalance in favor of Japan.

They also agreed to create a joint organization of government officials and private citizens from both countries to prevent trade conflicts.

The Japanese minister also agreed to use maximum influence on Japanese industries to transfer up-to-date technologies to Korea.

The justice ministers from both countries agreed to make efforts to conclude agreements on extradition and cooperation in investigations.

List of Forced Korean Labor Said Unlikely

OW3005070090 Tokyo KYODO in English 0532 GMT 30 May 90

[Text] Tokyo, May 30 KYODO—It is unlikely that the Japanese Government will find lists of names of Koreans sent to Japan for forced labor during Japan's 1910-45 colonial rule of Korea, a government official said Wednesday. "The Justice Ministry will search for (documents) through cities, towns and villages. But name lists will probably not be found," the official said.

The official said Koreans were classified as Japanese until the end of World War II and there was no discrimination in drafting forced labor. Almost all the relevant documents were lost during the confusion at the end of the war, the official added.

The government decided at Tuesday's cabinet meeting to launch a search for name lists of Koreans forced to work in Japan in response to a request made during South Korean President No Tae-u's visit to Japan last week. The foreign, health and welfare, and labor ministers have said such lists do not exist in their ministries.

Japan began to draft Koreans and Chinese to work in Japanese mines and factories in 1945 based on the wartime national mobilization law. A document of the then Interior Ministry says Japan drafted 667,680 Koreans and Chinese from 1939 to 1945. Some 2.4 million Koreans, including those who came voluntarily, were left in Japan at the end of the war.

Firm Suspected of Leasing Ship to DPRK

OW2505170590 Tokyo KYODO in English 1532 GMT 25 May 90

[Text] Kushiro, Hokkaido, May 25 KYODO—Local maritime authorities Friday raided a Japanese fisheries firm suspected of illegally leasing fishing boats to North Korea for operations in the northern Pacific in connection with Soviet seizure of Japanese fishermen probably belonging to the firm.

Searched for evidence were the home of Teruo Watanabe, president of Shoho Fisheries Co. in Kushiro, eastern Hokkaido, and his office, the Kushiro Maritime Safety Office said. The president is suspected of leasing two fishing boats to a fisheries company in North Korea for joint salmon fishing venture without official permission, it said.

Shoho Fisheries dispatched more than 10 fishing boats to a North Korean fisheries company to provide technical guidance, according to the fisheries agency. The Japanese company may have imported fish haul of the joint venture, receiving part of the sales proceeds as technical guidance fees, the maritime authorities said.

Soviet authorities seized 10 North Korean-registered fishing boats and their crew including more than 100 Japanese, for allegedly poaching in that country's territorial waters off Kamchatka peninsula the same day. Shoho Fisheries probably disguised its boats as North Korean before leasing them for the joint fishing operations, maritime safety officials said.

Japanese fisheries companies, thwarted by tightened controls on operations in the 200 nautical mile zones of the United States, the Soviet Union, Canada, and other countries in the northern Pacific region, have entered into joint ventures with these countries in order to bail out of the difficult straits. Especially, salmon fishing firms manage to get an annual quota of 7,000 tons from the Soviet Union in its economic zone in exchange for construction of a fish culture facility in Sakhalin.

Shoho Fisheries is suspected of rigging its vessels with North Korean flags and repainting the Japanese logos to disguise them as ships of North Korean registry, the officials said. The company, established with a capital of 1 million yen in March last year, is not a member of the Kushiro Fisheries Cooperative.

The Maritime Transport Law bans lease of vessels without permission from the Transport Ministry.

China Loans 'Likely' To Stay Frozen Until July

OW2805215690 Tokyo NHK General Television Network in Japanese 1000 MGT 28 May 90

[Text] The Japanese Government's third yen loans to China are not likely to be unfrozen in time for this year's summit of leading industrial democracy, which will be held in July. This was predicted by a Japanese Government source today. The third yen loans to China have remained frozen since the Tiananmen Square incident in Beijing last June. However, the government had hinted that the loans would be unfrozen by the time of the summit in Houston in the United States in July. According to the government source, countries participating in the summit all agreed that it is unwise to isolate China in the international community. However, the U.S. Congress is still weary of resuming its economic cooperation with China. Thus, the same source indicated that the freeze on the loans is unlikely to be removed by the time of the summit.

Report Sees PRC Debt as Potential Flashpoint

OW3105134890 Tokyo KYODO in English 1240 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—China may fall into a political crisis under the weight of huge government debts, the result of loans it took out in the early 1980s under its open economic policy, a Japanese private think tank said Thursday.

In a report analyzing China's domestic and overseas debt burden, the Nikko Research Center said that China is set to enter an era of principal repayments on its massive outstanding government bonds now that it is already under pressure from interest payments on the national debt.

The mounting debt burden is likely to force the Chinese Government to raise taxes and reschedule debt payments to its people, a move which may lead to political turmoil by spawning dissatisfaction among the public, the report said.

The report also based its pessimistic projection on the weak Chinese economy, which it said has slipped into stagflation, or economic slowdown with hyperinflation, in the wake of last June's Tiananmen Square incident and the austere fiscal policy taken since September 1988.

Reviewing domestic and external debts owed by China, the report stressed the danger of borrowings made at home rather than of those made abroad.

Citing statistics from the World Bank, the report said China had external debts of 42 billion dollars at the end of 1988, but the amount does not constitute a serious problem in view of its ratio to gross national product.

At stake is growing interest payments on domestic debts, the report said, noting that they are squeezing China's budget.

China's budget deficit increased to 42.3 billion yuan in fiscal 1990 from 36.9 billion yuan in fiscal 1989, while principal and interest payments on domestic debts jumped 3.6-fold, the report said.

More Chinese Boat People To Be Deported

OW3105112890 Tokyo KYODO in English 1030 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—Japan will deport 298 Chinese boat people on Friday for illegally entering Japan last year posing as Indochinese refugees, the Justice Ministry said Thursday. The repatriation, by a Chinese-chartered passenger ship from Nagasaki, will be the fourth in a series of deportations of Chinese who drifted by boat to Japan in search of employment rather than political asylum, ministry officials said.

During last year, a total of 2,804 boat people arrived at western Japanese coasts but Japanese authorities have determined that most of them are farmers and others are from the southeastern Chinese province of Fujian.

The first deportation, of 301 people, took place in December, followed by 491 in March and, most recently, by 425 last week, officials said.

They said five of the returnees' babies, who were born in Japan, and three Chinese fishermen arrested for illegal entry to Japan were also deported with them. The repatriations will continue, officials said.

Sanctions Against Bank of Tokyo for Taiwan Ties

OW0106112690 Tokyo KYODO in English 1051 GMT 1 Jun 90

[Text] Tokyo, June 1 KYODO—China's Central Bank has ordered a halt to transactions with the Bank of Tokyo [BOT] in protest against the Japanese bank's plan to open an office in Taiwan, banking sources said Friday.

The instruction by the People's Bank of China also called for suspension of exchanges of staff between the BOT and Chinese banks and other financial insitutions, the sources told KYODO news service. The sources said the Chinese action was in protest against the BOT announcement last month that it will set up a representative office in Taipei in early July.

The BOT and other Japanese banks have been trying recently to expand into Taiwan's banking market by taking advantage of Taiwan's plans to give foreign banks greater access to the long-protected market. But the sources said China's harsh response to the BOT plan is likely to dampen Japanese enthusiasm over Taiwan.

A senior Bank of Tokyo official said transactions between the BOT and Chinese banks have been proceeding as usual so far, but said negotiations over accepting trainees from Chinese banks have been stalled. The official, who asked not to be named, acknowledged that the BOT is trying to persuade China to lift the instruction through its offices in Beijing and elsewhere.

Asked to comment on the BOT plan to open an office in Taiwan, the official said it is in tandem with changes taking place over relations between Japan and Taiwan, referring to expanding bilateral trade.

A Foreign Ministry official reacted coolly to the Chinese action. "It is a matter of concern at private levels," the official said without further elaboration.

Currently, only Dai-ichi Kangyo Bank has a branch in Taiwan, since the number of foreign banks there has been limited to one per country since 1959.

The Finance Ministry had not approved plans by Japanese banks to open offices in Taiwan since then, but gave the green light to the BOT plan in view of increasing trade and business deals between Japan and Taiwan.

Tokyo 'Downplays' Prospects for Cambodian Talks

OW0106130890 Tokyo KYODO in English 1209 GMT 1 Jun 90

["Tokyo Downplays Hopes for Cambodian Peace Talks"—by Jerome Sayre—KYODO headline]

[Text] Tokyo, June 1 KYODO—Japanese officials have downplayed the prospects for a settlement in next week's talks on Cambodia, apparently attempting to lower expectations as Tokyo ventures into a new political role. Tokyo seeks, at a minimum, to maintain "momentum" in the drawn- out Cambodian peace process aimed at ending the 11-year conflict.

On the surface, the Foreign Ministry is "not very ambitious at all" about a comprehensive settlement, according to Southeast Asian division head Masaharu Kohno. But Japan's international image is linked to the talk's success, a senior aide to Prime Minister Toshiki Kaifu said. Japan, with its clean slate on Cambodia and readiness to provide economic aid, is in a unique position to host the peace talks, he said.

Japan's sudden rush into a high-profile political role comes less than two months after it was requested by Thai Premier Chatchai Chunhawan during his meeting with Kaifu in early April. Thai Deputy Premier Chawalit Yongchaiyut will be an observer to the talks.

After Kaifu committed himself to the conference in a personal letter to Chatchai, Thai and Japanese authorities worked together behind the scenes to draw Phnom Penh's Hun Sen and the on-again, off-again resistance leader Prince Norodom Sihanouk to the negotiating table.

Foreign Ministry officials have gone to extra lengths to secure a secluded site for the talks, breaking precedent to gain the use of the Akasaka State Guest House and forbid a press presence.

Japan's role in coaxing the warring parties toward a settlement during the talks themselves is unclear. Kohno described Japan's position as that of a "bystander" in "a meeting without any scenario," but Foreign Minister Taro Nakayama and Deputy Vice Foreign Minister Hisashi Owada will, in fact, be at the conference table.

The level of Japanese participation, he noted, will depend on the tenor of the talks. But Kohno declined comment on Japanese readiness to make substantive suggestions, if the need arose.

While the Foreign Ministry has billed the conference as one between two governments—the resistance National Government of Cambodia (NGC) and the Vietnamese-backed Hun Sen regime in Phnom Penh—leaders of all four factions will be in Tokyo for the meeting.

Officials must get Hun Sen to agree to sit down with Khmer Rouge representative Khieu Samphan, who has insisted on a full role in the signing of any conference accord. Hun Sen said earlier this week that NGC leaders other than Sihanouk should not be at the "main table."

The Khmer Rouge, said to be responsible for over a million deaths during its four-year rule (1975-1978), is the strongest group militarily in an uneasy tripartite resistance alliance, and its role is a major sticking point in any post-ceasefire agreement. Japan maintains that role should be "minimized."

Officials portray the conference itself as a "stepping stone" toward peace, parallel to and interlinked with efforts by the United Nations for a solution. Japanese officials held informal consultations with U.N. Security Council members last week.

Council members recently laid out conditions for the commitment of resources to a settlement, noting a mere ceasefire would not guarantee a lasting peace. They called for a U.N. peacekeeping force, participation of all four factions in an interim national council, supervised elections, and guarantees of neutrality and independence.

Tokyo claims no hidden "carrot" to produce a ceasefire, beyond funds already offered for reconstruction. Japanese involvement in prospective U.N. peacekeeping and election operations is also expected to be high.

Actual talks are scheduled for Monday and Tuesday, sandwiched between two evening dinner gatherings, with the Hun Sen and Sihanouk delegations strategically invited before the talks and all "prominent Cambodian figures" afterwards.

Firms Get CSSR Order for Chemical Plant

OW3005152590 Tokyo KYODO in English 1347 GMT 30 May 90

[Text] Tokyo, May 30 KYODO—JGC Corp., Mitsubishi Petrochemical Co., and Mitsubishi Corp. have received a joint 8 billion yen order for a new plant in a state-owned chemical works in Czechoslovakia, officials of the companies said Wednesday.

The order, placed by C.Z. Sokolov, a Czechoslovakian chemical enterprise, through a foreign trade corporation Technoexport, calls for the building of an acrylic acid and acrylic ester plant in Sokolov in western Czechoslovakia. The project is to be completed by February 1995.

JGC will be responsible for detailed design and equipment supply while Mitsubishi Petrochemical will be in charge of supplying basic designs and production licenses.

The new plant will be built next to a 20,000 ton-a-year plant the Czechoslovakian corporation ordered from JGC and Mitsubishi Petrochemical in 1977.

The chemicals produced at the new plant will be sold in Czechoslovakia and other East European countries.

Kaifu Explains His Political Reform Plan

OW3105044990 Tokyo NHK General Television Network in Japanese 0300 GMT 27 May 90

[Text] Prime Minister Kaifu, visiting Fukuoka on a campaign tour for an LDP [Liberal Democratic Party] candidate in a Fukuoka Electoral District upper house by-election, showed strong determination to have an election system reform bill worked out by this fall. Speaking at a news conference, he said that enough has been said and what is needed now is the implementation [of plans].

[Begin recording of Kaifu remarks] As for the question of political reforms, when I received recommendations from the [Policy] Deliberation Commission, I decided that we have talked about the reforms enough, and that it is time we translated them into actions.

I will request people of the Liberal Democratic Party to state their separate views. Since I also think that people of other parties and groups in the Diet have various views and positions of their own, there need to be discussions of the matter with them too. The election system, after all, has a direct bearing on the interests of the Dietmen. I would like to have talks with their top leaders and ask for their cooperation. [end recording]

Prime Minister Kaifu noted that the Deliberation Commission is now working on plans for reform of the upper house system and revision of the Political Party Law, and plans to submit its recommendations on how the electoral districts should be rezoned under an upper house election system wherein a small constituency system and a proportional representation system will be combined. He said that when recommendations are finalized, he will immediately begin the work of having them incorporated into a bill. He thus indicated a strong determination to come up with a bill by next fall.

Commenting on reports that opposition parties are planning to attend public hearings on election systems scheduled for the middle of June, Prime Minister Kaifu said he wants to welcome the position of the opposition parties, and added that it is to the benefit of both the ruling and opposition parties that they exchange their views in a common arena like that.

Tax Reforms Have Mixed Effect on Auto Sales

OW3105145590 Tokyo KYODO in English 1421 GMT 31 May 90

[Text] Tokyo, May 31 KYODO—The tax reform of April last year brought a slump in profits to makers of minivehicles but boosted the profits of other automakers in the business year ended March 31, a survey of corporate reports showed Thursday.

Thanks to increased domestic sales of cars resulting from the replacement of the higher commodity tax with the 3 percent Consumption Tax and continued business prosperity, Nissan Motor Co., Honda Motor Co., Mazda Motor Corp. and Mitsubishi Motors Corp. chalked up record sales and profits.

In contrast, Suzuki Motor Co., Daihatsu Motor Co., and Fuji Heavy Industries Ltd., whose products faced an increased tax burden because of the tax reform, suffered profit declines and a slowdown in sales.

Until March 31, 1989, a low commodity tax was levied on minivehicles. When this was replaced with the higher consumption tax, the tax burden weighed heavily on the minivehicle makers.

The replacement of the relatively high commodity tax on common and larger cars with the 3 percent consumption tax brought on an increase in the sales of such cars.

Nissan achieved the highest pretax profits on its highest sales yet, both on an unconsolidated basis, as its domestic auto sales reached 1.38 million vehicles.

Mazda and Mitsubishi had record unconsolidated sales, both reaching the 2 trillion yen level for the first time.

Mitsubishi's unconsolidated pretax profit was also a record high.

Honda's unconsolidated sales and pretax profit were both the highest ever. However, due to heavy exchange losses totaling 22.7 billion yen, its ordinary profit growth slowed.

Until March 31, 1989, minicommercial vehicles sold very well ahead of the imposition of the consumption tax. Since then, however, sales of mini commercial vehicles have slowed.

Consumers have refrained from buying minis ahead of a change in the minis' engine output classification to 660 cubic centimeters from the previous 550 cc from early this year. As a result, Daihatsu incurred a heavy setback to profits, both pretax and after-tax.

Fuji Heavy Industries also saw its pretax and after-tax profits slow down. Its sales were down, reflecting sluggish sales also in the United States. The firm incurred an unconsolidated operating loss of 29.6 billion yen.

The seven automakers' unconsolidated sales, pretax, and net profits in Fiscal 1989 were as follows (figures in billion yen; figures in brackets show percentage changes from the previous year):

	Sales	Pretax Profit	Net Profit
Nissan	4,006 (11.9)	184 (19.1)	85 (34.2)
Honda	2,749 (4.3)	91 (1.4)	53 (-1.3)
Mazda	2,046 (8.6)	48 (15.6)	27 (57.7)
Mitsubishi	2,026 (6.7)	41 (22.8)	20 (57.7)
Suzuki	844 (3.3)	16 (0.6)	7 (-18.7)
Daihatsu	695 (1.6)	11 (-17.8)	6 (-13.5)
Fuji	658 (-0.8)	7 (-52.0)	6 (-47.3)

Mongolia

Ties Between Aymags, Counterparts Considered

OW3105122390 Ulaanbaatar International Service in English 0910 GMT 28 May 90

[Text] The Presidium of the ruling Mongolian People's Revolutionary Party has considered the question related to direct ties between Mongolian aymags and corresponding units in the Soviet Union and other socialist countries. In view of the fact that Mongolia's direct ties with the other socialist countries assume an evermore business and economic nature, the Presidium of the Mongolian People's Revolutionary Party considered it expedient to pass to the Council of Ministers the functions of organization, coordination, and implementation of control over these direct ties

Democratic Union Chairman Interviewed on Tasks

AU3105132490 Budapest NEPSZABADSAG in Hungarian 30 May 90 p 3

[Interview with Sanjaasurengiyn Dzorig, chairman of the Mongolian Democratic Union, by Demeter Pogar; in Budapest, date not given: "The Mongolian Opposition Wants Neutrality"]

[Excerpts] The chairman of the first and largest (70,000-member) opposition organization in Mongolia, the Mongolian Democratic Union, arrived to Hungary to gather experience for the Mongolian elections due at the end of July.

[Pogar] Several of your activists were arrested in Ulaanbaatar at the end of April. The authorities called you an extremist organization which is striving to obtain power. Well, who are you and what do you want?

[Dzorig] Ever since we formed in December 1989, we have been regarded as extremists. However, our program resembles that of the Hungarian Democratic Forum in many respects. Our goal is to build a normal society in Mongolia, because today we are living in a sick and distorted society.

[Pogar] What is a "normal society?"

[Dzorig] In short, it has a plurality and equality of ownership forms, a pluralism of ideas, and a multiparty system with equal rights.

[Pogar] Is it true that the Mongolian opposition is based exclusively on the intellectuals?

[Dzorig] Not quite. Intellectuals are indeed the spiritual leaders, but workers, shepherds, and office workers also support our concepts. [passage omitted]

[Pogar] According to a widespread opinion in Hungary, Mongolia is the only country who has benefited from CEMA cooperation, but you oppose this organization.

[Dzorig] Our factories and enterprises were built up by individual countries, and not by CEMA. In many respects, CEMA has become an obsolete organization with a structure that can hardly be understood. We think that we must shift to the development of bilateral relations because the mechanism of bilateral relations is more developed.

[Pogar] The fact is that its territory is surrounded by the Soviet Union and China determines Mongolia's scope of maneuver. There is restructuring under way in the Soviet Union. You want to reduce your dependence on the Soviet Union. China includes Inner Mongolia, and the opposition demonstrations there were dispersed with firearms last year. What kind of relations do you intend to establish with these two countries?

[Dzorig] We must become neutral to eliminate our dependence. We must rapidly develop our relations with other countries. We demand the withdrawal of Soviet troops from Mongolia as early as this year, instead of 1992 as planned. Neutrality would make it possible for us to establish normal neighborly relations with China. However, we do not intend to give preference to anyone. [passage omitted]

Economist Writes on 'Deep-Going' Crisis

OW3105130990 Ulaanbaatar International Service in English 0910 GMT 28 May 90

[Text] The central organ of the National Progressive Party, NATIONAL PROGRESS, carries an article by doctor of economic sciences, Mr. Nerguy, giving facts and figures of the deep-going crisis of the Mongolian economy since 1981. The doctor notes that in the past 10 years, 35 and more percent of material requirements of the society have been fulfilled at the expenses of foreign resources, and there was observed a gradual decrease in the efficiency of production and an increase in prices of import and export goods as well as import and export turnover.

The doctor singles out two major contradictions observed in the Mongolian society today which are the contradiction between social production and state property and [words indistinct] the material interests of producers and the socioeconomic contradiction; that is, incapability of national production to satisfy the population's requirements.

828th Birthday of Genghis Khan Celebrated

OW3105130790 Ulaanbaatar International Service in English 0910 GMT 28 May 90

[Excerpt] A public festivity devoted to the 828th birth anniversary of Genghis Khan, the founder of the united Mongol state, was held in Ulaanbaatar on the past Sunday, May 27th. Speakers there noted the contribution of Genghis Khan to, and his role in, the history of the Mongol state.

Individuals and organizations of Ulaanbaatar contributed their donations to the forum Genghis Khan, the sponsor of the festivity. In future, the forum plans to celebrate every year the anniversary of the founder of the Mongol state which, according to Mongolian historians, falls on May 31st. [passage omitted]

North Korea

100 U.S. Planes Said To Conduct Exercises

SK3105121790 Pyongyang KCNA in English 1053 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—The U.S. imperialists kicked up a row transferring formations of Pacific-based fighter-bombers, assault planes, pursuit-assault planes, refuelling tankers and transport planes to the Osan airbase belonging to the U.S. Seventh Airforce in South Korea between 12:00 and 21:00 Wednesday, according to military sources.

They hurled "F-15", "FA-18" and other planes into the sky of South Korea between 13:00 and 19:20 Tuesday for a joint air strike exercise aimed at a surprise attack on the major objects in the depth of the northern half of Korea in coordination with "F-16" fighter-bombers belonging to the U.S. Seventh Airforce. The exercise involved a total of 100 fighter planes of different types.

They sent formations of fighter-bombers and pursuit-assault planes to the sky above Yongwol, Pyongchang and Wonju in South Korean Kangwon Province between 12:00 and 18:00 Monday for a forestalling strike exercise against the north in coordination with other types of planes.

200 fighter-bombers of various types were mobilized on May 28 and 29 for a live bomb dropping and aerial warfare exercise in the sky above Wonju, Chungju and Kangnung in a simulated surprise attack on the objects in the central part of the Northern half of Korea.

A total of 800 planes were involved in various military exercises in the sky over South Korea for two days, May 28 and 29.

'Serious' Consequence of Gorbachev-No Meeting

SK3105235190 Pyongyang KCNA in English 2258 GMT 31 May 90

["It Is Unshakable Stand of Entire Korean Nation To Oppose 'Two Koreas' Policy"—KCNA headline]

[Text] Pyongyang June 1 (KCNA)—A spokesman of the Foreign Ministry of the DPRK, asked by a KCNA reporter May 31 if it is true that No Tae-u is going to the United States to meet Soviet President Gorbachev, who is visiting the United States for the Soviet-U.S. summit talks, said:

According to foreign press reports, No Tae-u will soon go to the United States to meet President Gorbachev of the Soviet Union.

I don't know well if it is true.

A spokesman for the Foreign Ministry of the Soviet Union in a press conference a few days ago dismissed the report that President Gorbachev will meet No Tae-u during his visit to the United States as "distorted."

We have not yet received an official information regarding this from the Soviet side.

We consider that the President of the Soviet Union, an ally of ours, is quite able to analyze and judge what a serious political consequence will be entailed by his meeting with No Tae-u who is seeking only the split of Korea.

If President Gorbachev have [as received] a meeting with No Tae-u, which we do not think will take place, it will be a serious political issue concerning the freezing of the division of our country.

It is our consistent principled stand that we can neither agree to nor approve any act of obstructing the reunification of the country under any condition.

It is the unshakable stand of the entire Korean nation to oppose the "two Koreas" policy.

The Soviet Union has hitherto honored such stand of ours.

It is our belief that the Soviet Union will not do such things as recognizing "two Koreas" and aggravating the situation in the Korean peninsula and the Asian-Pacific region.

Koreans Meet in Japan: Congratulate Kim Il-song

SK3105070490 Pyongyang KCNA in English 0523 GMT 31 May 90

[Text] Tokyo May 30 (KNS-KCNA)—A central meeting of Koreans in Japan was held in Tokyo on May 30 to congratulate the great leader Marshal Kim Il-song upon his reelection as president of the Democratic People's Republic of Korea.

Present at the meeting were Chairman Han Tok-su and First Vice-Chairman Yi Chin-kyu of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) and its vice-chairmen and department directors, Chongnyon officials and Koreans in Japan of all strata.

Chairman Han Tok-su made a speech and a letter to Marshal Kim Il-song was adopted at the meeting.

He said:

It is a great auspicious event that the first session of the Ninth Supreme People's Assembly reelected respected Marshal Kim Il-song president of the state, the great leader of our motherland and nation, in accordance with the unanimous will and desire of our people.

The new five-point policy for national reunification laid down by the great leader in his policy speech "Let Us Bring the Advantages of Socialism in our Country Into Full Play" is a highly important guideline which gives perfect answers to the questions arising in the course of realising reunification.

The letter to Marshal Kim Il-song says: All the Chongnyon officials and compatriots in Japan extend greatest glory and warmest congratulations to you the respected leader upon your reelection as president of the Democratic People's Republic of Korea with the undisputed support and trust of the Korean people.

The Chongnyon officials and compatriots in Japan will remain loyal to you the great Marshal Kim Il-song, holding you in high esteem as the leader of the country and the nation and carry through the tasks set by you in your historic policy speech, thus making greater contributions to the struggle of our people for the victory of the cause of chuche, declared the letter.

Further Reportage on Visiting Cuban Delegations

Kim Il-song Receives Delegates

SK3105130090 Pyongyang KCNA in English 1049 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—The great leader President Kim Il-song today received the delegation of the Centre of Cuban Workers led by Pedro Ross Leal, alternate member of the Political Bureau of the Central Committee of the Communist Party of Cuba and general secretary of the centre, and the delegation of the Cuban Association for Friendship Among the People led by Rene Rodriguez Cruz, member of the Central Committee of the Communist Party of Cuba and chairman of the association, on a visit to Korea.

Present there were Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea; Won Tong-ku, chairman of the Central Committee of the General Federation of Trade Unions; Kim Chin-pom, vice-chairman of the Committee for Cultural Relations with Foreign Countries; and Juan Jose Leon Vega, ambassador extraordinary and plenipotentiary of Cuba to Korea.

The delegations presented a basket of flowers to Comrade Kim Il-song in congratulation of his reelection as President of the Democratic People's Republic of Korea and wished him good health and long life.

President Kim Il-song expressed thanks for this and conversed with the guests in a warm and friendly atmosphere.

The guests presented a gift to him.

Kim Chong-il Receives Gifts

SK3105130790 Pyongyang KCNA in English 1057 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—The dear leader Comrade Kim Chong-il received gifts from the delegation of the Centre of the Cuban Workers and the delegation of the Cuban Association for Friendship Among the People on a visit to Korea.

The gifts were handed separately to officials concerned by head of the delegation Pedro Ross Leal, alternate member of the Political Bureau of the Central Committee of the Communist Party of Cuba [CPC] and general secretary of the Centre of the Cuban Workers, and head of the delegation Rene Rodriguez Cruz, member of the Central Committee of the CPC and chairman of the Cuban Association for Friendship Among the People.

Railway Cooperation Conference Opens 31 May

SK3105131890 Pyongyang KCNA in English 1121 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—The 18th ministerial conference of the Organization of Railways Cooperation (ORC) opened here today.

The conference will review last year's work of the committee of the ORC and discuss the long-term plan ending in 1995 and other matters.

It was attended by the delegation of the committee of the ORC headed by its chairman Ryszard Stawrowski and delegations from Bulgaria, Hungary, Vietnam, the German Democratic Republic, Korea, China, Cuba, Mongolia, Poland, Romania, the Soviet Union and Czechoslovakia.

A Yugoslav delegate was present as observer.

Minister of Railways Pak Yong-sok made an opening address at the conference.

The railway transport of the member nations of the ORC covers a wide area in the world, he noted, adding: Today we are confronted with the task to keep a steady rate in international transport of passengers and freight, further develop the work of the ORC and strengthen relations among the transport agencies of the member nations.

There were congratulatory speeches.

The conference continues.

Delegates Attend Party

SK0106054290 Pyongyang KCNA in English 0442 GMT 1 Jun 90

[Text]Pyongyang June 1 (KCNA)—The Ministry of Railways arranged a party at the People's Palace of Culture on May 31 for the participants of the 18th ministerial conference of the Organization of Railways Cooperation (ORC).

Present there on invitation were the members of the delegation of the ORC Committee headed by its chairman Stavrovski Rishard and other delegations and delegates from different countries.

Minister of Railways Pak Yong-sok and other officials concerned were present.

Speeches were exchanged at the party which proceeded in a friendly atmosphere.

Meeting Marks International Children's Day

SK3105231390 Pyongyang KCNA in English 1502 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—A national meeting marking the 40th anniversary of the June 1 International Children's Day was held in Pyongyang Thursday.

Present on invitation were secretary of the Party Central Committee Choe Tae-pok and vice-premier of the Administration Council Kang Hui-won, alternate members of the Political Bureau of the Central Committee of the Workers' Party of Korea, and Kim Chung-nin, secretary of the WPK Central Committee, and other officials and wives of diplomatic envoys and foreign women in Pyongyang.

Kang Chom-suk, secretary of the Central Committee of the Korean Democratic Women's Union, made a report.

The noble idea of the International Children's Day and desire of people to well bring up [as received] children has been brilliantly carried into practice in Korea under the wise leadership of the great leader Comrade Kim Il-song and his great care, he said, and stressed:

It is one of the greatest achievements made under the peculiar socialist system of our style established by the great leader that the upbringing of children and education of the younger generation has been creditably conducted and all the children are stoutly growing to be successors to the revolution in Korea.

We are now facing an honorable task to bring the advantages of socialism in our country into full play in hearty response to the policy speech of the great leader.

All the women and mothers should discharge their honorable responsibility and duty in the noble struggle for carrying forward the revolutionary cause of chuche through generations by successfully bringing up the younger generation.

Noting that the progressive women's organisations and mothers of many countries are rendering full encouragement to the Korean people and women in their struggle for the self-determined peaceful reunification of the country and lifting up louder voices of solidarity for our cause of revolution, she expressed deep thanks to them.

The reporter said the Korean women will strengthen friendship and unity with the progressive women and mothers of the world advocating independence and always struggle shoulder to shoulder with them to bring earlier the happier future on the women and children and build a new world where independence prevails.

After the meeting the participants appreciated an art performance given by kindergarteners.

Meeting Adopts Peninsula Disarmament Proposal

SK0106105590 Pyongyang Domestic Service in Korean 0810 GMT 1 Jun 90

["Disarmament Proposal" for peace on the Korean peninsula adopted at a joint meeting of the DPRK Central People's Committee (CPC), Standing Committee of the Supreme People's Assembly (SPA), and State Administration Council held in Pyongyang on 31 May—read by announcer]

[Text] On the relaxation of tension on the Korean peninsula and the realization of peaceful circumstances favorable for national reunification, a disarmament proposal for peace on the Korean peninsula:

Our people have never been able to free themselves from the danger of war and to enjoy genuine peace for even a moment over the past 40 years.

Confrontation and conflict today are being removed from many parts of the world. However, only on the Korean peninsula is tension being aggravated with each passing day. Our people in the North and in the South have been living under a state of uneasiness—identical to that of wartime—for a very long time, while squandering precious national resources on mutual confrontation.

Confrontation and war are beneficial to neither the North nor the South. The North and South should no longer idly look upon confrontation and the danger of war, which are increasing daily. They should not hesitate to remove the danger of nuclear war, which has been heavily cast over the people's heads for scores of years, and they should seek a turning point for peace.

No one will offer peace on the Korean peninsula as a gift. Furthermore, peace cannot be achieved merely through empty words. Our people should obtain national peace through their own efforts and should prevent our nation from being turned into a competitive arena for outside forces and into the site of a miserable nuclear war. No matter what upheaval the world may undergo, in our country all fellow countrymen should strive to enjoy peace and to live harmoniously in a reunified, independent fatherland.

In order to relax tension on the Korean peninsula and realize peaceful circumstances favorable to national reunification, a declaration of nonaggression should be adopted between the North and the South at this point.

This nonaggression declaration should confirm that neither the North nor the South will invade the other with Armed Forces and it should outline practical insurance for this.

The basic question for practically ensuring a nonaggression declaration and guaranteeing peace is to realize drastic disarmament between the North and the South. Unless disarmament is realized, trust cannot be attained between the North and South, dialogue for reunification cannot be successful, cooperation and exchanges cannot be realized, and the country's peaceful reunification cannot be achieved.

The North and South should no longer adhere to confrontation and an arms race, both of which create mutual misunderstanding and distrust and block peaceful reunification. They should carry out a drastic phased disarmament, in compliance with the aspirations of fellow countrymen and following international trends.

The joint meeting of the DPRK CPC, Standing Committee of the SPA and State Administration Council clarifies the following new disarmament proposal by making the comprehensive peace proposal, which it had already put forward in November 1988, more concrete in conformity with actual conditions:

I. Creation of trust between the North and the South.

A. The North and the South shall restrict military training and military exercises.

1. All joint military exercises and military training with foreign Armed Forces shall be prohibited.

2. Military training and military exercises on a scale larger than division-size shall be prohibited.

3. All military exercises along the Military Demarcation Line [MDL] shall be prohibited.

4. Neither side shall permit military exercises by foreign troops within their respective territories.

5. Each side shall inform the other side of military exercises.

B. The North and South should turn the Demilitarized Zone [DMZ] along the MDL into a peace zone.

1. The North and South should withdraw all military personnel and military equipment deployed in the DMZ.

2. The two sides should tear down all military facilities built inside the DMZ.

3. The two sides should open the DMZ to civilians and allow it to be used for peaceful purposes.

C. The North and South should take safety measures to avoid accidental clashes and keep them from escalating.

1. The two sides should open and run a direct telephone line between the high-ranking persons in the military of the two sides.

2. The two sides should ban all forms of military provocation against the opposing side in areas along the MDL.

II. Reduction of Armed Forces in the North and South

D. The North and South should reduce Armed Forces on a phased basis.

1. The two sides should carry out a reduction of troops in three phases within a period of three to four years, after the two sides reach an agreement on a disarmament proposal. In the first stage, the two sides should reduce troops to the level of 300,000 respectively; in the second stage, they again should reduce troops to the level of 200,000 respectively; and when the third stage is completed, the two sides should see that they maintain troops below the level of 100,000 respectively.

2. The two sides also should reduce or dismantle military equipment to correspond with the phased reduction of troops.

3. The two sides should abolish all manner of paramilitary [mingan kunsa] organizations and paramilitary forces in the first stage reduction of the regular Armed Forces.

E. The North and South should stop improving the quality of their military equipment.

1. The two sides should cease the introduction of new military technology and equipment, and the development of arms.

2. The two sides should not have new military technology and military equipment transferred from foreign countries.

F. The North and South should mutually inform each other of the status of disarmament and allow the other side to inspect it.

1. The two sides should mutually inform the opposing side of the status in the reduction of Armed Forces.

2. Through the mutual on-spot inspections in the opposing sides' areas, the two sides should inspect the status of fulfillment of the arms reduction agreement.

III. The Withdrawal of Foreign Armed Forces

G. The North and South should turn the Korean peninsula into a nuclear-free zone.

1. The two sides should make joint efforts to have all nuclear weapons deployed in South Korea withdrawn immediately.

2. The two sides should not produce or purchase nuclear weapons.

3. The two sides should ban the entry of foreign aircraft and ships carrying nuclear weapons into the boundary of Korea and their passage through it.

H. The North and South should make joint efforts to have all foreign troops withdrawn from the Korean peninsula.

1. The two sides should see to it that the U.S. troops stationed in South Korea and their equipment are completely withdrawn on a phased basis corresponding to the reduction of Armed Forces in the North and South.

2. The two sides should see to it that the U.S. military facilities built in South Korea are dismantled on a phased basis in a way that corresponds to the withdrawal of U.S. troops.

IV. Disarmament and the Guarantee of Post-Disarmament Peace

I. The North and South should take measures for disarmament and for the post-disarmament peace.

1. The two sides should deploy the Neutral Nations' supervisory troops inside the DMZ along the MDL.

2. The two sides should form and run a North-South joint military committee headed by the those at the level of the Chief of the General Staff of the Armed Forces of the two sides for the purpose of controlling arms and discussing and settling military issues in feuds that can arise between the North and South.

J. The North and South should adopt a declaration of nonaggression through negotiations, and reach an agreement on a large-scale disarmament.

In order to guarantee a complete and durable peace on the Korean peninsula, the current state of armistice should be turned to a state of peace.

Since it is a party mainly responsible for the guarantee of peace on the Korean peninsula, the United States should come, without fail, to the Korean-U.S. talks [chomi hoedam] or the tripartite talks for the signing a peace agreement.

[Dated] 31 May 1990, Pyongyang

North's Talks Delegates Hold Policy Meeting

SK3105112690 Pyongyang KCNA in English 1100 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—A joint meeting of delegations of the North side to North-South talks was held in Pyongyang today to implement the policy of dialogue laid down by the great leader President Kim Il-song in his historic policy speech at the First Session of the Ninth Supreme People's Assembly.

Present there were heads, delegates and suite members of the delegation of the North side to the Panmunjom meeting between parliamentarians of the North and the South, the delegation of the North side to the preliminary talks for North-South high-level political and military talks and the delegation of the North side to the North-South Red Cross working-level contact.

A report was made by Paek Nam-chun, head of the delegation of the North side to the preliminary talks for North-South high-level political and military talks.

He said that the new policy of North-South dialogue laid down by the great leader Comrade Kim Il-song in his historic policy speech is based on the position and role of dialogue in the solution to the reunification question, the trend of the internal and external situation, the present state of North-South dialogue and the lesson left by the history of dialogue. It is a most judicious policy for developing dialogue in scope so that it could contribute, both nominally and virtually, to the realization of national reunification, frustrating the manoeuvres of the splittists at home and abroad.

It is our consistent and steadfast stand to accelerate the reunification of the country by developing North-South dialogue, he said, and went on: The delegations of the North side to North-South talks will make every effort possible to resume the suspended dialogues at an early date and make them fruitful.

He urged the delegations of the South side to actively respond to our stand for stepping up national reunification by developing North-South dialogue and approach dialogue with a sincere attitude.

Speeches were made at the joint meeting.

A joint statement of the North side's delegations to North-South talks was adopted.

North Delegations Issue Statement

SK3105124390 Pyongyang KCNA in English 1112 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—A joint statement of the North side's delegations was adopted at a joint meeting of the North side's delegations to North-South talks which was held here to implement the policy of dialogue laid down by the great leader President Kim Il-song in his historic policy speech at the First Session of the Ninth Supreme People's Assembly.

The statement says:

The suspended dialogues must be resumed without delay and dialogues for national reunification in different fields be arranged quickly as demanded by people of all walks of life.

The new reunification formulas clarified by the great leader for national reunification are a great program which give a comprehensive answer to the urgent and principled questions arising in solving the reunification question of the country.

The only way of solving the question of national reunification in a peaceful way by pooling efforts of the whole nation is to develop dialogue, the statement says, and goes on:

If the North-South dialogue is truly to contribute to the cause of reunification, both sides must approach dialogue sincerely with a correct stand and stance toward it. A success cannot be expected from the unilateral efforts of one side.

Both the North and the South must approach dialogue from a stand for truly solving the reunification question and, once the dialogue begins, they must work for its substantial progress with a desire and will to accelerate national reunification.

It is our consistent stand to develop North-South dialogue and thus make a breakthrough in achieving national unity and reunification.

The suspended dialogues must be resumed without delay and dialogues for reunification in different domains, too, be arranged quickly as demanded by the people of all social standings.

The delegations of the North side to the Panmunjom meeting between parliamentarians of the North and the South, to the preliminary talks for North-South high-level political and military talks and to the North-South Red Cross working-level contact will make all sincere efforts for an immediate resumption of the suspended talks and their fine results.

It entirely depends on the attitude of the South Korean side whether or not North-South dialogues are arranged and they become dialogues for bringing about a substantial progress in the solution of the reunification question.

The South Korean authorities must look straight at the ardent desire of the entire fellow countrymen for national reunification and the trend of the times toward detente and reunification, stop seeking dialogue for division any longer and renounce the seclusionist policy of monopolizing dialogue.

At the same time, they must cease from large-scale war exercises and anti-communist confrontation racket spoiling the atmosphere of dialogue or laying grave obstacles in its way.

The delegations of the South side to the North-South talks must exert due efforts for a prompt resumption of the suspended multi-channeled North-South dialogues so that they may make a practical contribution to promoting national reconciliation and unity and opening a phase of turning-point for peace and peaceful reunification of the country.

No's 'Traitorous' Japan Trip Decried

SK3105102290 Pyongyang KCNA in English 1002 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—NODONG SINMUN and MINJU CHOSON today come out with commentaries hitting out at the visit to Japan by No Tae-u the puppet.

Noting that No's trip to Japan was a humiliating pro-Japanese traitorous trip through which he bartered away the interests of the nation, impairing the national dignity of the Korean people, and his contact and talks with the Japanese ruling quarters were a behind-the-scene dealing between the aggressor and the traitor, a news analyst of NODONG SINMUN says:

The Japanese reactionaries made the "emperor," a figurehead, say he felt "deepest regret" at the "unfortunate period" and they now describe this single word as "an apology" for their past occupation of Korea and truculent, brutal colonial rule over it.

The No group is making quite a noise as if this ambiguous word of the Japanese emperor was an "apology" and "repentance" and claiming that "the past history with Japan has all been clinched" through it. It is the height of baloney.

The Japanese reactionaries have not apologized.

Japan cannot solve the crucial matter related to the national dignity and interests of the Korean people with the No group which can represent none of the Koreans.

If the Japanese authorities truly want to liquidate the past, they must explicitly apologize to the entire Korean nation for their criminal past, make compensations for the colossal damages inflicted on them during the colonial rule and return all the wealth they looted. And they must guarantee the national rights of Koreans in Japan, stop suppressing the General Association of Korean Residents in Japan (Chongnyon) and cease from criminal acts to freeze the division of Korea.

The Korean people still reserve the legitimate national right to demand a proper apology of Japan.

Noting that the lawful status and treatment of Koreans in Japan, a matter about which the Japanese reactionaries and the traitor No held empty talks, cannot, by nature, be an object of bargaining, the news analyst calls attention to the fact that the Koreans in Japan are those who were forcibly shipped into Japan or crossed over there in search of a means of living during the period of the Japanese imperialists' aggression on Korea.

The Japanese Government is, therefore, under legal and moral obligation to guarantee them their democratic rights and stable life, the news analyst stresses, and goes on:

"Speaking" at the Japanese Diet on May 25, No called for transition to "an era of comprehensive good neighbourly friendship and cooperation" by "joint cooperation" and "joint efforts" for peace and prosperity of Northeast Asia, thus openly revealing his real intention to leave South Korea to the tender mercy of the Japanese aggression forces and open the road for them to stage a wholesale comeback to it.

This vividly reveals the sight of the traitor who, lost to shame and reason, does not hesitate to sell out the country and the nation for the sake of his personal ease and for the maintenance of his power.

No's trip to Japan was arranged, from the very beginning, by the U.S. imperialists' aggressive strategy and script to round off the U.S.-Japan-South Korea triangular military alliance system in the Far East.

During their stay in Japan the puppets zealously followed the U.S. policy of strengthening the triangular military alliance, prattling about "community of destinies" and "military integration" with Japan.

The Korean people are watching with heightened vigilance the criminal moves of the U.S. and Japanese aggressors and their stooges and will never tolerate them.

A news analyst of MINJU CHOSON stresses the traitor No will have to pay dearly for his treacherous act in selling out the dignity of the nation.

Rallies Held To Congratulate Kim Il-song

SK3105053490 Pyongyang KCNA in English 0453 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—Mass rallies are being held in succession in all parts of the country to congratulate the great leader Comrade Kim Il-song on his reelection as president of the Democratic People's Republic of Korea at the first session of the Ninth Supreme People's Assembly [SPA] and to carry through the tasks set by him in his historical policy speech.

North Hamgyong Provincial, Yanggang Provincial, Chagang Provincial, South Hwanghae Provincial, Kangwon Provincial, North Hwanghae Provincial, Nampo and Kaesong municipal mass rallies, Musan County, Yanggang Province, Tokchon City, South Pyongan Province, mass meetings and a meeting of the employees of the Anju District Coal Mining Complex were held on May 29 and 30.

Representatives of all walks of life made speeches there.

Expressing their boundless emotion and joy over the reelection of the respected Comrade Kim Il-song as president of the DPRK, the speakers declared that it is the unanimous and unshakable will of the entire people to finally accomplish our revolutionary cause, holding him in high esteem at the head of the Republic.

They said that the policy speech addressed by the great leader to the SPA session serves as a powerful theoretical and practical weapon for an early realization of the complete victory of socialism and the independent and peaceful reunification of the country.

They resolved to accelerate socialist construction, keeping a tight hold on our party's general line of vigorously conducting the three revolutions, ideological, technical and cultural, while strengthening people's power and constantly increasing its function and role.

Noting that the five-point policy for national reunification is a beacon illumining the road of achieving the country's reunification independently in the interest of the nation at the earliest date, they stressed that the United States and the South Korean authorities should show an affirmative response to our new national reunification policy.

'Our-Nation-First Idea' Lauded in Press

SK3105071490 Pyongyang KCNA in English 0529 GMT 31 May 90

[Text] Pyongyang May 31 (KCNA)—MINJU CHOSON Wednesday carried an article entitled "Our-Nation-First Idea Is Pride and Confidence in the Greatness of the Nation."

The article says the Korean-nation-first idea of our people is, in a word, pride and confidence in the greatness of our nation, and it is a noble ideological sentiment manifested as the high consciousness and will to add brilliance to the greatness of our nation.

This idea is a noble and fair ideological sentiment which respects the superior characters of other peoples, remarks the article.

It is also a noble spirit of respecting the Chajusong of other nations, not disregarding their superior characters.

Our nation has uncompromisingly fought against the enemy encroaching on its sovereignty, yet it has promoted friendship and been on good terms with other nations which respect its sovereignty.

As it is based on this excellent character of our people our-nation-first spirit is a fair and aboveboard ideological sentiment excluding any chauvinistic element.

Noting that the Korean-nation-first spirit of our people is pride and confidence in living and making the revolution in the most superior socialist system under the rays of the great chuche idea, holding a great leader in high esteem, the article says:

It is, above all, pride and confidence in having a great leader.

Dear Comrade Kim Chong-il has said:

"Our people are immensely proud of living and working for the revolution under the guidance of the great leader.

No other nation in the world but the Korean people can have this sense of pride and self-respect."

Our people could put an end to the long history of ordeals and greet a new era of revolution and have become an independent people shaping their destiny by their own efforts, a glorious people who defeated two formidable imperialisms and have successfully built socialism in this land because they have their leader in the person of respected Comrade Kim Il-song, the first great leader in their history of thousands of years, and are under his outstanding leadership.

Our people's great pride and confidence in displaying the honour of their nation-best is immediately pride and confidence in holding the great leader in high esteem as the sun of the nation, as a genius of creation and construction.

Our-nation-first idea is also pride and confidence in living and working under the most superior socialist system, guided by the great chuche idea, under the leadership of the great party.

The article stresses:

The fighting experience of our people convincingly proves that when the advantages of the socialist system are brought into full play under the leadership of a great leader, a great party and with a correct guiding idea, the might and honour of the nation can be displayed in all domains.

Indeed, the national pride and self-respect of our people is the noblest, fair and aboveboard, our-nation-first spirit which can be seen nowhere else in the world.

Assignments of Third Seven-Year Plan Fulfilled

SK3005050590 Pyongyang KCNA in English 0442 GMT 30 May 90

[Text] Pyongyang May 30 (KCNA)—Korean working people in different fields of the national economy have fulfilled their assignments of the Third Seven-Year Plan (1987-1993).

According to data available, 13 factories and enterprises including the Maengsan coal mine and the Unchon pharmaceutic factory have carried out their assignments under the new long-term plan far ahead of schedule.

The Third Seven-Year Plan targets were hit by the maintenance and repair workshop of the Pyongyang wood-processing combine and seven other workshops, the ore-cutting platoon of the Hyoksin pit of the Nampung mine of the Komdok mining complex and 68 other platoons and workteams, and some 1,200 workers including Pak Su-tong, a timber feller of the Yonam forestry company.

The working people across the country are waging an energetic drive for increased production and economies to carry out this year's plans before October 10, the 45th anniversary of the founding of the Workers' Party of Korea, and the Third Seven-Year plan more than one and a half years ahead of the set time.

An increasing number of units and working people are beating the yearly and Seven-Year Plan targets ahead of schedule.

*Agricultural Production Growth Stressed

902C0193A Pyongyang NODONG SINMUN in Korean 24 Mar 90 p 3

[Article by Yi Pyong-hun: "Planning and Management Control Constitute an Important Method for Agricultural Production Growth"]

[Text] The great leader Comrade Kim Il-song, in his New Year's address and at the 17th plenary meeting of the Sixth Party Central Committee, set forth the task for successfully fulfilling the party's grain production target for the coming year, thoroughly implementing the chuche farming method.

An important question in making agricultural production grow further, loftily upholding the intent of the party and the leader, is that of the branch of the rural economy further improving the guidance of farming work and the control and management to suit their character and standards.

The great leader Comrade Kim Il-song taught: "To strengthen the technical guidance and get the management activity in all aspects further planned and organized—this is precisely the basic direction of improving the control and management of the agricultural economy, the basic direction of doing away with the backwardness of agriculture versus industry in terms of economic management."

Agriculture, because of producing food and raw materials, together with industry constitute the two major branches of the people's economy; and making the agricultural production grow fast constitutes an important link in strengthening the nation's economic power and more satisfactorily solving the question of the people's food, clothing and shelter.

For making the agricultural production grow there are various methods such as increasing capital outlay in the rural economic branch and strengthening its material and technological foundations, and further increasing the area of cultivated land. But success or failure in agricultural production depends in no small measure on the people directly in charge, that is, the functionaries and agricultural workers, how they conduct their farming work with what method and attitude. Even though the material and technological foundations of the rural economy have strengthened and the area of cultivated land increased, unless the entire process of agricultural production is correctly grasped and guided on a thoroughly planned basis, it will be impossible to goal-consciously control the growth processes of crops or to score a high success in agricultural production. Therefore, it is important for the functionaries to familiarize themselves with the farming principles and methods for controlling the growth processes of crops, and based thereon, guide the agricultural production thoroughly on a planned basis.

Here, the demand arising as a foremost priority is that of thoroughly organizing and commanding the farming work so that all processes of the work will be conducted in accordance with the demands of the chuche farming method.

The yearly farming work gets conducted through various processes by the farming seasons. From such characteristics of the farming work arises the demand for guiding it with a correct grasp of all the processes of the work. Especially, it is a very important question to commendably observe the principle of the right crop at the right place in the right season. The right crop at the right place in the right season is the scientific farming principle to see to it that all farming work is done in the right season, arranging all crops to suit the soil and climatic conditions. For our country's climatic and soil conditions vary for each zone. Even in one and the same valley different conditions prevail in the south and north, at the top and bottom of the valley. And it will not do to be too early or too late; such is the farming work. Under such conditions only by planting the crops of such strains as are suitable for the climatic and soil conditions in the right season and tending them will it be possible to reap high harvests securely.

Therefore, it is important that the functionaries and agricultural workers, taking such demands correctly into consideration, secure such species as consistent with the characteristics of the zones and tracts as well as the biological characteristics of the crops, and see to their planting in the right season. In particular, for rice plants and corn, our country's staple crops, it is imperative that such species as are consistent with the zones and tracts should be secured and efforts made to carry out rice transplanting and humus pot corn transplanting qualitatively in the right season.

It is an important demand arising in the guidance of farming work to establish a scientific fertilizer application system and administer fertilizer in accordance therewith.

For each phase of their growth crops require different kinds of nutrients in different amounts. Only if, based on the demands of the crops by the phases of their growth, various kinds of fertilizer are administered so as to complement each other, will it be possible to correctly ensure the growth conditions for the crops and thoroughly realize the principle of Pogi farming [planting a specified number of a given plant per pyong]. Therefore, it is important for the functioning of the agricultural branch to precisely fix the amount of fertilizer to be applied in accordance with the soil conditions by the zones and biological properties of the crops, administer the fertilizer in a manner consistent with the principles of science and technology, and do the proper organizing and guiding so as to enhance their efficacy to the maximum.

An important question in increasing agricultural production is also that of the functionaries thoroughly calculating the whole process of farming work and exercising guidance on a planned basis.

Farming guidance work aimed at implementing the chuche farming method demands thorough minuteness and planning. To begin with, inasmuch as the chuche farming method itself is a scientific farming method, if farming is to be done in accordance with its demands, it is imperative to do the farming work in every respect accurately to suit the corp's biological requirements, and in tending but one plot, do it on a Pogi unit basis, exerting all the meticulous, earnest efforts with a true heart. In farming work modern farming machinery of various kinds along with numerous farming means and materials are mobilized and utilized. Under such conditions, only if farming guidance work such as production organization, technical guidance, and ensuring the necessary materials and supplies is done accurately on a planned basis, will it be possible to effectively utilize numerous modern farm implements and farming materials and supplies, consequently to successfully implement the demands of the chuche farming method. Therefore, it is important for the guidance functionaries of the agricultural branch to concretely examine every link in farming work without missing any one of them, meticulously calculate it, precisely draw up the plan, and accurately plan and coordinate the farming guidance.

To energetically launch the production increase and conservation struggle and search and mobilize still more inner reserves is a demand of the party and an important method to make agricultural production grow. Therefore, in exericising guidance for the coming year's farming work, efforts should be centered, as intended by the party, on searching and mobilizing still more production increase and conservation reserves and effectively utilizing them. All functionaries and workers of the agricultural branch must thoroughly observe the principle of conducting production organization and ensuring the necessary materials and supplies always on condition that every process of the farming work has been examined meticulously and calculated precisely. At the same time, it is important for all functionaries and agricultural workers to energetically launch the struggle everywhere to seek out still more reserves for production increase and conservation, highly displaying the revolutionary spirit of self-reliance. The commendable experience of Kochang Cooperative Farm in Chollima District which, loftily upholding the appeal of the party, sought out 13,000 items inner reserve of 1,200 kinds in a short time and is keeping all the farm's machinery in full operation, shows that if all people, looking into the realities with their own eyes, make meticulous examination and exert earnest and persistent efforts, it will be possible to seek out enormous conservation reserves indeed. If functionaries and agricultural workers set a high goal for production increase and conservation, lay the groundwork thoroughly, and practice earnestly and persistently as did the Kochang-ri people, it will be possible to seek out enormous reserves everywhere, and utilizing them effectively, score a greater success in the coming year's agricultural production.

Still another important question in making agricultural production grow is that of ceaselessly improving the work of control and management to suit the characteristics of the cooperative farms.

To improve the cooperative farm's work of control and management is an important demand for increasing agricultural production, further enhancing the role of agricultural workers, the masters of agricultural production, and correctly ensuring all the farming conditions.

What is important in improving and strengthening the cooperative farm's work of control and management is that of thoroughly implementing the socialist distribution principle in precise implementation of the sub-workteam management system, a system that commendably embodies the collectivist principle.

In order to implement the socialist distribution principle thoroughly in the cooperative economy, it is imperative to evaluate the quality and quantity of labor precisely each and every day. In agricultural production, the outcome of labor does not show itself immediately as in industry.

Only if the work-days are necessarily reevaluated by the production results, will it be possible to know precisely the quantity and quality of the labor expended by the agricultural workers in the communal economy. For precisely evaluating the quality and quantity of labor, it is important to continue to thoroughly implement the sub-workteam management system, whose superiority and vitality have already been eloquently proved.

The sub-workteam management system, precisely implementing the socialist distribution principle for the quality and quantity of agrarian labor, is becoming a powerful means that enhances the production desire of the farmers and energetically inspires agricultural production.

The guidance functionaries of the agricultural branch, by having the means of production such as labor and land settled in each cooperative farm sub-workteam, by properly formulating the production plan and more thoroughly planning and coordinating production organization, must strive to make them show an even greater worth.

At the same time, by further strengthening the guidance of cooperative farms after the fashion of guidance for industry, and by calculating all tasks such as planning, production organization, labor administration, facilities maintenance, ensuring of the necessary materials and supplies, property and fiscal control thoroughly with meticulous care as if handling dyestuffs, and persistently exercising guidance, they must lift agricultural production onto higher scientific and technological foundations.

All functionaries and agricultural workers, with a thorough grasp of the whole process of agricultural production and realizing a thorough, meticulous guidance on a planned basis for them, shall bring about an upsurge once more in the coming year's agricultural production.

Eight New Cutting Faces Created in Mines

SK3005103190 Pyongyang KCNA in English 1000 GMT 30 May 90

[Text] Pyongyang May 30 (KCNA)—The Komdok Mining Complex, a leading nonferrous metal ore producer of Korea, has created one new large cutting face after another. In recent two months eight cutting faces have taken shape. These cutting faces situated in the depth of the Kumgol branch mine, the July 1 branch mine and Nampung mine have a maximum capacity of 500,000 tons of high-grade ore each.

Mining workers of the complex are topping their daily assignments by 30 to 50 percent through continuous drilling and blasting to create ten more cutting faces in a few months, while pushing ahead with capital tunnelling and preparatory tunnelling.

South Korea

Planned No-Gorbachev 4 Jun Summit Previewed

U.S. Officials To Brief No

SK0106013290 Seoul YONHAP in English 0111 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—U.S. President George Bush will send officials to San Francisco to brief South Korean president No Tae-u before No meets with Soviet President Mikhail Gorbachev on June 4, a highly placed official in the Korean government said Friday.

Richard Solomon, assistant secretary of state for East Asian and Pacific Affairs, and Jack Matlock, U.S. Ambassador to Moscow, will brief No on the Bush-Gorbachev summit as part of efforts to ensure the success of the No-Gorbachev summit, he said.

Seen as 'Step Toward Peace'

SK0106020490 Seoul YONHAP in English 0146 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—The summit meeting between South Korean President No Tae-u and Soviet leader Mikhail Gorbachev in San Francisco on Monday was welcomed here as a step toward peace and stability in Northeast Asia and as a boost for trade between the two nations.

Most Koreans see the Seoul-Moscow summit talks as clearing the way for full diplomatic ties between the long-time enemies, but some advise caution in approaching the Soviet Union and say No should avoid a self-abasing manner in the San Francisco meeting.

The Korea Chamber of Commerce and Industry says it hopes the summit will invigorate economic cooperation and bilateral trade.

The chamber says it would like the two nations to reach an accord to protect investments and to conclude government-level agreements to facilitate economic ties.

The Federation of Korean Industries says the No-Gorbachev meeting is a fruit of "northern policy," which the government has pursued since No's inauguration, and that it hopes it will hasten full diplomatic ties because that would stimulate the fledgling Korea-Soviet trade.

Professor Cho Chong-nam of Korea University says the meeting is not a result of northern policy alone, but also of Moscow's diplomatic initiative to reach out to the Far East.

"The government should consider the practical gains from improved relations with Moscow, taking into account the on-going rapprochement between the United States and North Korea," he said.

Professor Kim Hong-u of Seoul National University says, "improvements in relations between the two countries are based on political and economic necessity, therefore Seoul will have to keep in mind what kind of political gain it can reap compared with the Soviet Union's economic return."

Lawyer An Tong-il counsels more caution in approaching the Soviet Union, but says he expects the San Francisco talks to facilitate the establishment of diplomatic ties.

"The South Korean leader should not go on a begging tour," An says.

A labor activist in Seoul says, "I had a very strange feeling when I heard the announcement of the meeting, because the Soviet downing of the Korean air jetliner is still vivid in my memory."

No To Push for Kim Il-song Talks

SK0106082390 Seoul YONHAP in English 0803 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—South Korean President No Tae-u will ask Soviet President Mikhail Gorbachev to set up a meeting for him with North Korean President Kim Il-song when they meet in San Francisco on Monday, a highly placed government official said Friday.

"This historic meeting between No and Gorbachev will be an epochal turning point in the establishment of diplomatic ties with the Soviet Union, in the improvement of relations between the two Koreas and in peace and stability for Northeast Asia," the official predicted on condition of anonymity.

No is expected to call on Gorbachev to persuade Pyongyang to open its closed society and to comply with his proposal for talks as soon as possible, he said.

No will explain that Seoul's ultimate aim in normalizing relations with Moscow and Beijing is to reduce tension on the Korean peninsula and advance reunification, he said.

He will ask Gorbachev to tell Pyongyang that Seoul is ready to offer North Korea help in the highest degree, including economic cooperation, based on the principles of co-existence and co-prosperity, the source said.

The Korea-Soviet summit will force North Korea to adopt a positive attitude on inter-Korean dialogue, disarmament and cooperative relations between the South and North, the official said.

"In his meeting with Gorbachev, No will emphasize that South Korea is willing to actively cooperate with North Korea in its bid to improve relations with the United States and Japan if North Korea stops trying to set up a communist government in the South through war," he said. "No will voice this intention to U.S. President George Bush on June 6."

If Moscow calls for coordination on the timing of opening diplomatic ties due to Pyongyang's resistance, the government will not be reluctant to complete intermediate procedures such as setting up a permanent mission on the premise that full ties will follow by the end of the year, the source said.

The government had wanted to establish full-blown diplomatic relations without going through intermediate stages such as opening consulates general.

No is expected to propose forming a six-nation consultative organization around the Korean peninsula, he added.

The proposal for the organization, made up of the two Koreas, China, Japan, the Soviet Union and the United States, was made by No in a speech to the UN General Assembly in September 1988.

Result of 'Backdoor Negotiations'

SK0106092490 Seoul YONHAP in English 0901 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—The South Korea-Soviet summit is the fruit of a secret two-month-long diplomatic effort made by the Korean side on orders from President No Tae-u, it was learned Friday.

Diplomatic sources revealed that it was backdoor negotiations by a handful of No's aides with Kremlin authorities that pulled off the unprecedented meeting, not regular diplomacy.

Officials at Chongwadae, the president's official residence, said the scheme was pushed by a small number of key secretaries, notably Secretary-General No Chae-pong and presidential aide for diplomacy and security Kim Chong-hui.

On April 7, learning that the U.S.-Soviet summit would be held in Washington from May 31, No ordered No and Kim to work on setting up a Korean-Soviet summit during Soviet leader Mikhail Gorbachev's stay in the United States.

At that time, No was planning to visit the United States, Canada, Mexico and Japan at the end of May and stopping to chat with Gorbachev seemed to be natural. No had to cancel his visit the United States, Canada and Mexico because of economic problems at home.

There are unconfirmed rumors that Rep. Pak Chol-on, a close No aide and the architect of No's nordpolitik, helped set up the meeting during a month-long overseas trip that ended last week.

Pak, who visited Moscow in the summer last year and again in March, used a secret channel to the Kremlin to pass along No's hope.

Kim Chong-hui visited the United States on May 1-3 and contacted Soviet officials to negotiate the get-together.

Good news came from Tokyo on May 17. Korean negotiators got the OK when a Soviet contact in Tokyo flew to Seoul with the Kremlin's consent to the summit, meeting with No and Kim to iron out the details, diplomatic sources said.

The three easily agreed on the timing—during Gorbachev's stay in the United States—but stuck on the location.

The Koreans suggested another nation since No had canceled a trip to the United States, but the Soviets insisted on the United States.

The final decision was made on May 23, when a big gun from Moscow visited Chongwadae. Some sources say it was Anatoliy Dobrynin, the former Soviet ambassador to the United States and currently Gorbachev's advisor for diplomacy, while others speculate that it was a Communist Party leader or third figure who is not famous.

A top source in the ruling Democratic Liberal Party says the Soviet Union carefully studied the summit proposal and conveyed its acceptance via Dobrynin when he paid a courtesy call on No on May 23. Dobrynin was in Seoul attending the Interaction Council conference, a meeting of former world leaders.

Result of No's 'Strenuous Efforts'

SK0106042390 Seoul THE KOREA TIMES in English 1 Jun 90 p 2

[Text] The South Korea-Soviet summit to take place in San Francisco is a result of the Korean side's strenuous efforts, propelled by President No Tae-u's resolute will to pave the road for the fundamental national goal, reunification, through his meeting with Soviet President Mikhail Gorbachev.

Since No instructed his top Chongwadae aides to promote a Seoul-Moscow summit in early April, they engaged in behind-the-scene negotiations with Kremlim officials for months, mobilizing various channels, even to belated complaints by Foreign Ministry officials.

The ministry seems to have been put on the sidelines in the process of decision-making on the summit.

A high-ranking official confessed that he had not been aware of the meeting until he was informed by a top presidential staffer recently.

Chongwadae officials admitted that the plan was schemed and pushed by a limited number of core presidential secretaries. The Foreign Ministry only worked on follow-up steps after the Soviets accepted Seoul's proposals.

The far-reaching plan was determined months ago and had been pursued in top secrecy. Chongwadae sent Hyon Hong-chu, No's close aide, to the Soviet Union last month probably to prepare for the No-Gorbachev meeting. Hyon, who was accredited as ambassador to the United Nations, had also contacted Soviet diplomats in the United States, according to informed sources.

Pak Chol-on, another No's confidant, who conveyed No's message to Gorbachev in Moscow last March, may have helped government efforts to realize the meeting during his month-long overseas trip that ended last week.

Foreign Ministry officials joined in the top secret project at the end. Assistant Minister Yi Chong-pin flew to Washington for consultation with U.S. officials last weekend and Amb. Kong No-myong, head of the Korean consular department in Moscow, returned home Wednesday for advice on the meeting.

The ministry appears to have been passed over in handling crucial diplomatic tasks in the No administration. Many crucial diplomatic activities have been undertaken by a handful of key presidential staff and power elite figures in a non-routine manner, which opposition politicians and even some ruling party lawmakers have critically termed "boudoir diplomacy."

It was Rep. Pak Chol-on who paved the way for the normalization of ties with Hungary in September 1988, maneuvering like an intelligence agent. Min Hyong-ki, then director general for European affairs, and his colleagues played a minor role in the clandestine "operation" by Pak, widely regarded as second man in Chongwadae, whatever his title may be.

It was DLP executive chairman Kim Yong-sam who first met Gorbachev in Moscow last March, and delivered Seoul's wish for formal ties with the Soviet Union, not Kong, whose realm of activities have been confined by the Soviets to barely more than consular business.

Soviets Not Consulting North

SK0106124490 Seoul CHUNGANG ILBO in Korean 1 Jun 90 p 1

[By correspondent Pang In-chol in Tokyo]

[Text] According to news report by SANKEI SHIMBUN sourcelined from Washington on 1 June, Mr. Nikolay Shishlin, spokesman for the CPSU Central Committee, made it clear on 31 May that the meeting between President No Tae-u and Soviet President Gorbachev is against the background of a goal of establishing diplomatic relations between the two countries.

Mr. Shishlin hinted that the projected meeting is clearly aimed at establishing diplomatic relations between the ROK and the USSR by saying that "the two countries, the ROK and the USSR, are in the process of establishing diplomatic relations."

Commenting on North Korea's reaction to this, Mr. Shishlin hinted at a move by the Soviet Union to distance itself, little by little, from North Korea, adding, "The Soviet Union must maintain its own independent policy, not a 'great leader's' policy," an allusion to the title of Kim Il-song, who is called 'great leader.'

Another Soviet source said, "I think there was no advance consultation between North Korea and the Soviet Union concerning the ROK-USSR summit meeting," according to ASAHI SHIMBUN.

Although he avoided commenting on what kind of impact the ROK-USSR summit meeting might have on Soviet-North Korean relations, this Soviet source said that the Soviet Union wants to prod North Korea into reforming itself by unilaterally promoting the normalization of diplomatic relations with the ROK.

China, DPRK Reportedly Upset

SK0106040190 Seoul THE KOREA HERALD in English 1 Jun 90 p 2

[Text] Tokyo (YONHAP)—China and North Korea appeared to be shocked at the reports that South Korean President No Tae-u will hold summit talks with Soviet President Mikhail Gorbachev, and they were busy examining political developments, the KYODO News Service reported yesterday.

The Japanese news agency said in a dispatch from Beijing that China and North Korea have been worried about the possibility that closer ties between South Korea and East Europe, which began the spring of last year, could bring about the cross-recognition of the two Koreas that North Korea claims perpetuates the division of the Korean Peninsula.

Relations between North Korea and the Soviet Union, the report said, would decisively deteriorate if the latter agrees to establish full diplomatic ties with South Korea and support the entry of South Korea into the United Nations during the summit talks.

Kyodo quoted a Chinese diplomatic source as saying that North Korean leader Kim Il-song has asked Chinese leaders for cooperation in deterring cross-recognition of the two Koreas and South Korea's entry into the world body when he visited Beijing last November.

Meanwhile, China has been nervously trying to step up relations with the Soviets in defiance of different lines of policies between the two nations while it is also pursuing closer ties with the United States, the report said.

Kyodo predicted that China is expected to keep their current positions as to the two Korea issue and refrain from accusing the Soviet Union and South Korea because China still wants to maintain good non-government ties with south Korea.

NAEWOE PRESS on North Reaction

SK0106024290 Seoul YONHAP in English 0234 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—North Korea has said the summit between South Korea and the Soviet Union in San Francisco on Monday will lead to a serious political problem, Seoul's NAEWOE PRESS, a watcher of communist affairs, reported Friday.

A North Korean Foreign Ministry spokesman said Thursday in an interview with Pyongyang's official KOREAN CENTRAL NEWS AGENCY that the North had not been formally notified of the summit by the Soviet Union.

The summit will create a serious political problem by fixing the division of the Korean peninsula, he said according to NAEWOE.

"Our unswerving and fundamental position is that we cannot approve or agree with any act that stands in the way of unification of the Korean peninsula," NAEWOE quoted him as saying.

The spokesman said the Soviet Union had so far esteemed Pyongyang's unification policy and he did not believe it would do anything to fix the division of the peninsula.

Dialogue To Bring 'Major Changes'

SK0106041790 Seoul THE KOREA TIMES in English 1 Jun 90 p 1

[By staff reporter Pak Mu-chong]

[Text] The scheduled No-Gorbachev summit in San Francisco on June 4 is itself a historic event, which has astonished the world, and in particular North Korea.

No doubt the unprecedented meeting between the top leaders of South Korea and the Communist superpower will provide a decisive momentum for the normalization of diplomatic ties.

However, No's premier goal is to coax Pyongyang out into the world: "We have no choice but to open a road to Pyongyang via Moscow as the direct road is blocked."

The summit would certainly affect the future policy of hardliners in Pyongyang and become an occasion to bring about great changes in this part of the world, still plagued by a cold war mentality.

A top Chongwadae official commented that "the tide of the world's political changes has at last reached the Korean Peninsula, the last nation suffering from a division brought about by the cold war."

Although the meeting may be a great shock to North Korea, it is likely to push the stubborn Communists in the direction of opening up to the world current of reform and openness, he said.

The interests of Korea and the USSR are complementary, enabling the leaders to meet despite the absence of formal diplomatic ties.

Seoul has been seeking better relations with Moscow and its former East European satellites under the so-called "nortpolitik," which was rewarded by the establishment of diplomatic relations with almost all East European countries.

Kremlin leaders, for their part, are interested in learning about South Korea's process of industrialization, and about the Korean economy, which features a free market system guided by the strong hand of the government.

Officials in Seoul noted that No and Gorbachev will discuss in depth ways to facilitate trade between their countries. They share the opinion that the absence of diplomatic ties has been a major stumbling block to increasing economic cooperation.

The San Francisco tete-a-tete will certainly become a stimulus to Seoul's relations with Beijing, which have been at a standstill since the massacre at the Tiananmen Square.

The two leaders are expected to agree, at least in principle, to the set-up of diplomatic relations in the near future.

The summit will also serve as a much-needed political victory for No. The current difficult domestic situation forced him to cancel scheduled visits to Canada, the United States and Mexico.

The diplomatic triumph of President No owes much to the success of the 1988 Seoul Olympics, which brought to one place of reconciliation and harmony the then conflicting East and West.

Diplomatic Ties Said 'Imminent'

SK0106040990 Seoul THE KOREA HERALD in English 1 Jun 90 p 2

["News analysis" by staff reporter Kang Song-chol]

[Text] Under the trend of political reconciliation between East and West and among superpowers, Seoul and Moscow are moving fast toward normalization of their relations.

President No Tae-u's meeting with Soviet President Mikhail Gorbachev next week may signal that the establishment of full diplomatic ties between Seoul and Moscow is imminent. Gorbachev's meeting with No virtually indicates that the Soviet Union will recognize South Korea, with which it has yet to open full-scale relations.

The No-Gorbachev talks will likely have significant repercussions on future inter-Korea relations and other developments in Northeast Asia, political analysts say. They say the talks will help foster an atmosphere for encouraging North Korea to discard its isolationist policy in accordance with the global trend of openness and reform.

In their San Francisco meeting, No and Gorbachev are expected to exchange views on normalizing relations between the two countries, accelerating trade and other exchanges. Government officials say the two countries have transcended normal procedures such as working-level negotiations in arranging the summit. They say it has been pushed through contacts among close aides of No and Gorbachev, under the instructions of the two leaders.

The fact that the two countries skipped normal procedures in a sense means that the pace of normalizing ties will be accelerated, they say.

Analysts say the No-Gorbachev summit should be viewed in the context of global political changes such as sweeping reforms in East European countries, the newly emerging detente between the United States and the Soviet Union, and moves for German unification.

"I hope that the No-Gorbachev summit will offer an occasion to change the political framework on the Korean Peninsula, which remains the last place of division and extreme confrontation in the world," said Kim Chong-hui, special assistant to the President for diplomacy and national security affairs.

The summit has come to be realized as the result of Seoul's "Nordpolitik," a policy designed to improve relations with northern Communist countries. Seoul has so far opened full diplomatic ties with six East European countries—Poland, Hungary, Yugoslavia, Bulgaria, Romania and Czechoslovakia.

Normalization of relations with the Soviet Union is expected to help foster a favorable atmosphere for Seoul's efforts to open full ties with China. "Opening of full ties with Moscow and Beijing would complete our efforts for all-direction diplomacy," said Kim.

The No-Gorbachev summit and the improvement of ties between Seoul and Moscow will help generate the effect of inducing Pyongyang to reconsider its isolationist policy, officials say. "The change of attitude on the part of the Soviet Union, one of Pyongyang's closest allies, would certainly prompt the North to think again about its policies," Kim said. He said he thinks that Moscow will exercise considerable influence over Pyongyang, while urging it to follow Gorbachev's policies of perestroika and glasnost.

Officials say Moscow is believed to have considerable leverage to induce change in the attitude of Pyongyang. They note the fact that the Soviet Union is the largest trading partner of the North. They say Moscow has recently been asking Pyongyang to pay in hard currency for imports from the Soviet Union.

Pyongyang is also dependent on the Soviet Union militarily, the officials say, adding that the North would still receive parts for key military facilities from Moscow. The officials also say the North needs Soviet technology and assistance in pushing ahead with its plans to build nuclear power plants.

Economic cooperation will also likely be one of the key topics at the No-Gorbachev summit. Officials say both countries feel the need to remove various barriers blocking the further expansion of bilateral trade.

The two countries exchanged about $600 million worth of goods last year. Stressing the need for establishment of an institutional mechanism for the expansion of bilateral trade, the officials said the immediate concerns are signing agreements to guarantee investment and prevent double taxation.

The idea of pushing the summit with the Kremlin leader was first conceived about two months ago, officials say.

Hopes for Economic Ties

SK0106031390 Seoul YONHAP in English 0240 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—The San Francisco summit between South Korean president No Tae-u and Soviet President Mikhail Gorbachev on Monday is expected to give momentum to Seoul-Moscow economic cooperation, which has been sluggish recently.

The establishment of diplomatic ties between Korea and the Soviet Union is a matter of course during the summit meeting, business sources said Friday.

Korean companies that have made inroads into the communist country plan to accelerate business projects and study expansion of branch offices in the Soviet Union to seek new projects.

Economic cooperation and Korean participation in Soviet projects became sluggish due to problems arising from the lack of diplomatic ties and negative business environment, as shown in uncleared payments by Soviet partners.

Korean business cooperation with the Soviet Union has been chiefly confined to the Moscow area, but Korean companies plan to stretch their activities to the other republics, boosting trade with, and investment in, the Soviet Union substantially.

Lucky-Goldstar Co., the trading arm of the Lucky-Goldstar Group, has decided to promote economic cooperation with Soviet republics. It plans to take an exhibition of Korean goods on a tour of the republics this month.

The company also plans to establish a firm to sell Soviet raw materials in Korea and develop and export small factories to make consumer goods.

Lucky-Goldstar hopes to increase its exports of consumer goods such as tooth brushes, soap, refrigerators and televisions and seek projects to develop natural resources in the Soviet Far East, and will sharply expand its team in charge of the business with the Soviet Union.

Lucky Development Co., another part of the Lucky-Goldstar Group, has decided to push ahead with a development in Leningrad.

Hyundai Corp., a general trading company affiliated with the Hyundai Business Group, will expedite existing projects in the Soviet Union. They include development of forestry resources in the maritime province of Siberia, development of coal mines in Partizansk, east of Vladivostok, development of a petrochemical complex in Tobolsk and construction of personal computer and soap factories.

Hyundai's forestry and mine projects have been carried out to considerable extent but there are some minor problems concerning Soviet laws, which Hyundai thinks could be resolved soon with the summit meeting.

Hyundai recently formed a council to take charge of economic cooperation with the Soviet Union and established business and trade sections under the council.

Ssangyong Corp. Had planned to open branches in the Soviet Union, Hungary and China, but decided to open a branch only in Moscow this year.

Samsung Co. Will accelerate its projects in the Soviet Union, including the construction of a joint venture hotel in Moscow, construction of a video cassette recorder plant and technology exchanges with Soviet firms.

Daewoo Electronics Co. Will advance projects such as exporting a microwave oven plant.

To Spur Economic, Trade Ties

SK0106042990 Seoul THE KOREA TIMES in English 1 Jun 90 p 9

[By staff reporter Choe Won-sik]

[Text] Business circles are enthusiastic about summit talks between President No Tae-u and his Soviet counterpart Mikhail Gorbachev in San Francisco on June 4, seeing that they will rapidly expand economic and trade exchanges between Korea and the Soviet Union.

They predicted that the yearly trade volume between the two countries would grow as much as 50 percent per year in the next two or three years to reach more than $2 billion.

According to statistics from the Trade-Industry Ministry, the nation's exports to the Soviet Union amounted to $207.7 million last year, while imports from it stood at $391.7 million.

The items which were shipped to the Soviet Union last year generally comprised soap, toothpaste, footwear, textiles, steel, machinery, electrics, electronics and ships.

On the other hand, the major products which were imported from the Soviet Union consisted of agricultural and fisheries goods, coal, lumber, pulp, metals, steel and machinery.

In the first four months of this year, the nation's exports to and imports from the Soviet Union stood at $136.7 million and $113.1 million, respectively.

Economic and trade exchanges with the Soviet Union have remarkably expanded since 1988, thanks to the government's northern policy aimed at improving ties with Communist countries.

In particular, a number of business concerns are endeavoring to invest in the Soviet Union.

Of them, Jindo, the nation's largest fur maker and exporter, has already set up a 50-50 joint venture with Interlink of the Soviet Union in Moscow. Established with an investment of $800,000 in paid-in capital, the joint venture named Jindo-Rus plans to open a fur plant on the outskirts of Moscow in 1994. Jindo also opened a fur retail shop at the Intourist Hotel in Moscow in October last year.

In the meantime, the Hyundai group plans to take part in various Siberian development projects in a bid to enhance economic and trade cooperation with the Soviet Union. Hyundai has already exchanged letters of intentions with the Soviet Union for the joint construction of a lumber mill in Siberia and a trade center in Nakhodka.

Other projects which Hyundai will carry out in the Soviet Union include the construction of a personal computer plant, a tourist hotel, a soap plant and apartments, and the development of natural resources.

In addition to Hyundai, Samsung, Lucky-Goldstar, Daewoo and other enterprises are determined to set up various joint ventures in the Soviet Union in the near future.

Meanwhile, many fisheries companies are now catching fish in the waters of the Soviet Union.

The rapid expansion of economic and trade exchanges can also be seen in the opening of trade offices in Moscow by four general trading companies—Hyundai, Samsung, Daewoo and Lucky-Goldstar—and the opening of a direct air route between Seoul and Moscow. Since 1987, domestic business concerns have been actively participating in various trade fairs in the Soviet Union.

Despite the rapid expansion of economic cooperation with the Soviet Union, there are still a number of obstacles. They include the uncertainty of Soviet economic reform, the absence of a pact guaranteeing mutual investment between Seoul and Moscow, inconvertibility of the Soviet ruble and foreign exchange problems in the Soviet Union.

Even though business concerns are deeply aware of the necessity of promoting economic cooperation with the Soviet Union, they are reluctant to invest in the country due to the absence of a pact guaranteeing mutual investment.

It is reported that some enterprises have not yet received a certain amount of payments due for their exports to the Soviet Union, testifying to an acute shortage of foreign exchange in Moscow. Despite such obstacles, many business experts said that enterprises should continue to invest in the Soviet Union to expand economic and trade exchanges with it in the long run in the midst of growing protectionism in the United States, the 12-member European Community and other advanced countries.

They predicted that exports of such consumer products as daily necessities, electronics, cameras and automobiles to the Soviet Union would remarkably increase in the days ahead.

It is reported that the Soviet Union was ranked the sixth largest trader in the world in 1988. But 60 percent of the global trade of the Soviet Union is maintained with Communist countries.

Kim Tae-chung on Changes

SK3105135990 Seoul YONHAP in English 0930 GMT 31 May 90

[Text] Seoul, May 31 (YONHAP)—Opposition leader Kim Tae-chung has welcomed the summit between President No Tae-u and Soviet President Mikhail Gorbachev, predicting an "epochal" change in inter-Korean relations as a result.

"I welcome it in principle as a sign of great progress in Seoul-Moscow diplomacy. I believe it will bring an epochal change in relations between South and North Korea," Kim said Thursday.

"The summit should proceed in a way that not only contributes to promoting bilateral relations but facilitates reconciliation between South and North Korea and maintains peace in Northeast Asia. The government should abandon its self-abasing diplomatic manner and sit at the dialogue table thoroughly prepared," he said.

Kim, the president of South Korea's only opposition party, the Party for Peace and Democracy, said he had been notified of the summit by the government on Wednesday.

"I feel regret that the government gave me such short notice as diplomacy should be conducted in a supra-partisan manner," he said.

Predicting that Gorbachev will make a bold suggestion for economic cooperation during his meeting with No, he said No's attitude should be different from that of ruling party Chairman Kim Yong-sam and Pak Chol-on during their visit to Moscow in March.

Kim Yong-sam, a former opposition leader, and Pak, a close confidante and relative of president No, feuded during their visit to the Soviet Union, resulting in Pak's resignation as state minister for political affairs.

Importance of Talks Viewed

SK3105142990 Seoul HANGYORE SINMUN in Korean 31 May 90 p 3

[Article by reporter O Tae-kyu: "The Significance of No Tae-u-Gorbachev Talks"]

[Text] According to a foreign news report on 30 May, President No Tae-u and Soviet President Gorbachev will meet in San Francisco in the United States on 4 June and hold a ROK-USSR summit. The convocation of the ROK-USSR summit can be noted as a "great historic event."

At the same time, what will be discussed during the summit and what effect it will have on the situation in Northeast Asia—where the interests of North and South Korea and the interests of the four big powers of the United States, the Soviet Union, China, and Japan are intricately intertwined—are attracting people's attention.

An issue that may be discussed during the talks is, above all else, the issue of establishing official diplomatic relations between the ROK and the Soviet Union. While designating the Soviet Union and China, the two great powers in the communist world, as final targets of the northern policy that it has pursued persistently since the 7 June declaration, the Government has made every effort to establish diplomatic relations with these countries.

In particular, the Government has judged that the establishment of diplomatic relations with the Soviet Union, with which our relations are developing rapidly, will drastically increase stability on the Korean peninsula and will greatly influence the establishment of diplomatic relations with China. By fully utilizing all available channels—including the ones between Kim Yong-sam and the World Economics and International Relations Institute of the Soviet Union; between Pak Chol-on and Brutents, deputy chief of International Department of the Communist Party of the Soviet Union; and between Kong No-myong, the director of our country's consular affairs office in Moscow, and official Soviet diplomatic organizations—the Government has made every effort to achieve the early establishment of diplomatic relations with the Soviet Union. One may note that such efforts by the Government are designed to force North Korea to come to the "table of direct North- South dialogue." Also, by "encircling North Korea's allies, these efforts are designed to force North Korea to pursue "openness" and, based on our economic foundation, to achieve national reunification in such a way as witnessed during the merger between East and West Germany.

It has been learned that the Soviet side also believes that the promotion of relations with our country corresponds to the ideals of "reform" and "opening" that have been pursued by Gorbachev, and based on such relations, the Soviet side wants to utilize our technology in the fields of construction and manufacturing to economically develop Siberia and the Soviet Far East.

Judging from all this, the establishment of diplomatic relations with the Soviet Union has been regarded merely as "a matter of time." Nevertheless, no one could have forecast that this issue would emerge as rapidly as "a running horse."

Therefore, some people are raising questions about our side's "secret reasons" for holding the forthcoming ROK-USSR summit talks that will follow on the "tail end" of the U.S.-USSR summit. In other words, the No Tae-u regime, whose popularity has decreased since the merger of the three parties, may intend to enforce a Constitutional revision in favor of a cabinet system by increasing the people's support through the use of a ROK-USSR diplomatic relations trump card.

What is more important from an essential long-range point of view is the change that will occur after the summit talks in the spheres of influence affecting the Korean peninsula.

In the midst of a rapidly changing world situation, including reform and openness in East Europe, the situation on and surrounding the Korean peninsula already is being dragged into a whirlpool of drastic changes, which include the improvement of ROK-Japanese relations following President No Tae-u's visit to Japan; promotion of China-Soviet Union relations; China's assumption of control of Hong Kong in 1997; and the phased withdrawal of U.S. troops from the Korean peninsula.

Concerned government officials predict that, in the long run, the Korean-Soviet talks will be followed by extensive changes in the vicinity of the Korean peninsula, including progress in the process of establishing diplomatic relations between Korea and China, improvement in North Korean relations with the United States and Japan, a 1991 visit to Japan by Gorbachev, and improvement in relations between the United States and Japan.

During his policy speech to the First Session of the Ninth Supreme People's Assembly held on 24 May, North Korean President Kim Il-song again stressed "chuche-oriented socialism" and said that North Korea would not attend a North-South dialogue unless military and political tensions were alleviated. In the short term, in response to establishment of diplomatic relations between Korea and the Soviet Union, North Korea will further strengthen its socialist system.

Also, it is predicted that, after completely turning its back on the Soviet Union, North Korea, which has maintained an equal distance with China and the Soviet Union in carrying out its diplomatic activities, will maintain closer ties with China, which has stressed communist loyalty more than task-oriented proficiency since the Tiananmen incident.

This speculation is backed by the facts that North Korea recently expelled a TASS reporter who was critical of North Korea and that high-ranking North Korean officials have increasingly denounced the Soviet Union's policy toward the Korean peninsula as antisocialist or antireunfiication.

However, if we consider the fact that the Soviet Union and North Korea have maintained close ties in political, military, diplomatic, and all the other fields, we assume that President Gorbachev had sufficient consultations with North Korea concerning his talks with President No Tae-u.

An international affairs expert says that it is likely that the Soviet Union has asked North Korea to recognize the establishment of diplomatic relations with South Korea and for North Korea to have asked the Soviet Union to call on South Korea to accept the tripartite talks and to achieve a withdrawal of U.S. troops and nuclear weapons and reductions in arms.

Moscow Radio reported on 28 May that Son Song-pil, North Korean ambassador to the Soviet Union, and Soviet Minister of Foreign Affairs Shevardnadze recently met and exchanged views on matters of mutual concern. This report hints that the Soviet Union extensively discussed the Korean-Soviet summit talks.

The scheduled Korean-Soviet summit talks are likely to exercise significant influence upon domestic political affairs: For instance, the political status of President No Tae-u may undergo a change. The talks are also likely to exercise significant influence upon the power structure among the four powers surrounding the Korean peninsula—the United States, the Soviet Union, China, and Japan.

Beijing, Moscow Planning To Hold Talks on Korea

SK0106044390 Seoul THE KOREA TIMES in English 1 Jun 90 p 1

[Text] Beijing (Reuter)—China and the Soviet Union are planning high-level and sensitive talks to discuss the divided Korean Peninsula, diplomats said on Thursday [31 May].

The two Communist giants are North Korea's closest allies but are rapidly developing much needed commercial ties with the South.

Diplomats said China's new initiative would seek ways to improve relations between the two Koreas, which have remained bitterly divided since the 1950-53 Korean War when Beijing and Moscow gave invaluable support to the North.

Although China recognizes North Korea only, its commercial ties with Seoul far outstrip its trade with Pyongyang.

Reduced tension on the Korean peninsula would allow China to develop relations with the South without driving North Korea under President Kim Il-song deeper into isolation, diplomats in Beijing said.

A Soviet Embassy spokesman said that a high-level delegation from Moscow would arrive in Beijing on June 10, headed by Politburo member Yuriy Maslyukov and possibly including Deputy Foreign Minister Igor Rogachev.

The spokesman said he did not know if Korea would be on the agenda. Maslyukov is head of state economic planning.

Diplomats said Rogachev was likely to brief China on the current U.S.-Soviet summit meeting and on the outcome of historic talks scheduled for next week between South Korean President No Tae-u and Soviet leader Mikhail Gorbachev in San Francisco.

Their encounter, announced in Seoul on Thursday, will be the first between a South Korean head of state or government and a Kremlin leader.

Diplomats said China's hardline but pragmatic leadership was unlikely to follow Gorbachev's example but would be anxious not to let the Soviet Union overtake China in their competitive drive to attract South Korean investment.

Seoul Considering Economic Loans to Moscow

SK0106022290 Seoul YONHAP in English 0207 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—South Korea is carefully considering offering the Soviet Union a package of loans worth 3 billion to 4 billion U.S. dollars to substantially promote economic cooperation with the communist nation, a leading Seoul newspaper reported Friday.

The Soviet Union has asked for 5 billion dollars in loans to help revive its ailing economy, sources were quoted as saying.

The daily CHOSUN ILBO quoted government sources as saying the loan was being given consideration because of growing hopes for extending Seoul-Moscow economic relations at the summit meeting between presidents No Tae-u and Mikhail Gorbachev, who are expected to agree in principle to normalize diplomatic ties.

The Korean Government hopes that the money would be used to buy Korean goods, the sources were quoted as saying.

The government will also consider improving export insurance to encourage more businesses to explore Soviet markets, according to the report.

Officials at the Economic Planning Board denied the report.

"It contradicts our direction," one official said.

They also hinted that it may hinge on a political decision during the No-Gorbachev summit in San Francisco on Monday or on negotiations to normalize ties between the two nations.

Seoul and Moscow have actively promoted trade and economic relations despite a comparatively cautious soviet attitude toward political ties.

Two-way trade reached 599 million dollars last year and is expected to surpass 1 billion dollars this year.

But Korean businesses have complained about delayed payment for goods shipped to the communist country while the soviets contend that Korea should be more active in participating in joint ventures in the Soviet Union.

Korea has also called for signing investment protection and prevention of double taxation accords to pave the way for Korean businesses to safely advance into the Soviet market.

Presidential Aide Denies Loan Reports

SK0106075290 Seoul YONHAP in English 0719 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—A presidential aide denied news reports Friday that the Soviet Union has asked South Korea for 5 billion U.S. dollars in loans.

"The Soviet Union has never asked for assistance in connection with economic cooperation, and we have never considered loans," said Kim Chong-in, senior presidential secretary for economic affairs.

Some vernacular newspapers had reported that the Soviet Union asked for 5 billion dollars to help revive its ailing economy and that Korea was carefully considering offering the communist country a package of loans worth 3 billion to 4 billion dollars to promote economic cooperation.

The reports also said the loan was being given consideration because of growing hopes for extending Seoul-Moscow economic relations at the summit meeting between presidents No Tae-u and Mikhail Gorbachev, who are expected to agree in principle to normalize diplomatic ties.

Kim agreed economic cooperation with the Soviet Union will be substantially extended if the two nations set up full diplomatic ties, but said it was untrue that the Soviets asked for economic assistance in connection with the summit.

"The government has never received such a proposal," he added.

Trade Delegations To Visit USSR 2-16 Jun

SK0106033290 Seoul YONHAP in English 0254 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—A high-powered South Korean trade delegation will head for Moscow on Saturday on a two-week fact-finding mission to promote trade and economic relations with the Soviet Union, an official at the Korea Foreign Trade Association (KFTA) said Friday.

During their visit June 2-16, the delegates are to tour major Soviet cities, including Leningrad, Khabarovsk and Nakhodka, to explore channels and partners for trade and economic exchanges and joint ventures, and to study the investment situation, the KFTA official said.

The trip draws special attention as it comes amid growing expectations for better Seoul-Moscow economic relations and Monday's summit meeting between Presidents No Tae-u and Mikhail Gorbachev, the official said.

The 17-member delegation, headed by Nam Tok-u, KFTA president and a former prime minister, includes Chong Se-yong, Chairman of the Hyundai Business

Group and brother of Hyundai founder Chong Chu-yong, Kim Kak-chung, president of the Korea Federation of Textile Industries, Yun Song-min, a former defense minister and president of the Spinners and Weavers Association of Korea.

Nam will address the Soviet Institute of World Economy and International Relations (IMEMO) on the process of development of Korean economy and the direction of Korea-Soviet relations, the official said.

The delegation will be accompanied by a four-member government team led by Yi In-ho, director of the Economic Planning Board's International Economic Policy Coordination Office, the official said.

Economic Relations With Moscow Committee Planned

SK0106075690 Seoul YONHAP in English 0731 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—South Korea will establish a semi-governmental committee for economic cooperation with the Soviet Union, business sources said Friday.

They said the committee would be headed by a vice minister or higher official and would comprise people from government, business and academia.

The committee will act for the government in economic contacts with the Soviet Union until diplomatic relations are set up between the two countries, encouraging private advancement into the communist giant.

It will also make preparations for the first bilateral conference on economic cooperation, to be held either in Seoul or Moscow in October.

Communication Circuits With Moscow Planned

SK0106073090 Pyongyang KCNA in English 0559 GMT 1 Jun 90

[Text] Seoul, June 1 (OANA-YONHAP)—South Korea and the Soviet Union will set up four International Service Dialing (ISD) circuits and 12 telex circuits this year to cope with an increase in telecommunications traffic between the two nations.

The agreement came in the 1990 Intelsat global traffic meeting at the headquarters of the International Telecommunications Satellite Consortium (Intelsat) in Washington, D.C., on May 6-15, the Korea Telecommunication Authority (KTA) said Friday.

The ISD circuits will be opened in July, KTA officials said.

At the meeting, it was agreed to increase the ISD circuits from four at the end of 1990 to 12 in 1993 and 24 in 1995, while maintaining 12 telex circuits (equivalent to one telephone circuit), the officials said.

Last year, KTA proposed opening two ISD circuits and it was agreed in principle that they would use an Intelsat satellite over the Indian Ocean, but increased two-way communication has raised the need for additional circuits, they said.

"Because of the deficient capacity of Soviet switching equipment, the establishment of the ISD circuits is being delayed," they said. "The United States and Japan are also asking the Soviets for more circuits, but due to the capacity problem their demand has not been met yet."

However, a Soviet delegate to the meeting was quoted as saying that Moscow was expanding its switching equipment facilities and would complete the work in June in response to rising demand for more circuits.

In 1979, the first operator-to-operator telephone line was opened between Seoul and Moscow. The outdated equipment was replaced with ISD in August 1988, just before the Seoul Olympic Games, but the ISD circuit malfunctioned and worked only for callers in Korea. Calls from the Soviet Union still had to be placed by an operator.

Even then, ISD calls from Korea were routed through Italy, Greece or the United Kingdom by an Intelsat satellite, causing severe inconviences.

Telecommunication traffic between Seoul and Moscow increased 6.53-fold to 1,483 calls in January 1990 on a year-to-year basis, KTA said.

Samsung Signs Electronics Accord With Soviets

SK0106011590 Seoul YONHAP in English 0041 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—South Korea's Samsung Electronics Co. has agreed with the Soviet Union to participate in a communications project worth 12 billion U.S. dollars over the next five years, a Samsung spokesman said Friday.

The electronics manufacturer, a subsidiary of the Samsung Business group, will supply 30 million TDX (time division exchange) circuits for a communications modernization project.

TDX is an advanced Korean-made electronic switching system, the spokesman said.

The deal was basically clinched when Samsung Electronics Chairman Kang Chin-ku met with the Soviet communications minister in Moscow in April, and the dollar figure was determined when a deputy communications minister and Samsung Executive Director Chong Yong-mun exchanged a memorandum of agreement recently, he said.

Samsung will set up a joint venture with the Soviet Union to supply the TDX circuits, and has a deal to export facsimiles, private exchange systems and other items worth 100 million dollars a year.

The Soviet Union will sell Samsung patents for satellite communications and for the manufacture of high-definition televisions, he said.

For the joint production of optical communications, the two sides will exchange engineers, he said.

Samsung To Work on Soviet Telecom Modernization

SK0106050990 Seoul THE KOREA TIMES in English 1 Jun 90 p 9

[Text] Samsung Electronics will take part in the Soviet Union's project for the modernization of its telecommunications system.

Samsung announced yesterday that it recently signed an agreement with the Soviet Union on the project.

According to the agreement, Samsung will supply 30,000 digital switching systems called TDX (time division exchange) worth $12 billion to the Soviet Union over the next five years until 1995.

Those systems will be jointly manufactured by Samsung and the Soviet Union.

In the meantime, Samsung will export some 100,000 units of various telecommunications products including facsimiles, telephones and car phones to the Soviet Union by next year. They are valued at about $100 million.

On the other hand, the Soviet Union will transfer its technologies concerning satellites, high definition (HD) TVs and TV tubes to Samsung.

It is the first time for a Korean company to participate in the Soviet Union's project for the modernization of its telecommunications system.

It is reported that Kang Chin-ku, chairman of Samsung Electronics, agreed in principle on the participation in the Soviet telecommunications project in April.

Business experts said that the participation in the modernization of the Soviet telecommunications system will rapidly accelerate economic and trade exchanges between Seoul and Moscow in the days ahead.

Editorial Views No's Japan Visit, Relations

SK2605021890 Seoul THE KOREA HERALD in English 26 May 90 p 8

[Editorial: Akihito's 'Deepest Regret']

[Text] President No Tae-u is returning home today from his historic visit to Japan, which marks the start of a new epoch in the long and entangled relations between the two neighboring countries. It will hopefully open up an avenue toward building a mature and productive Korea-Japan partnership for the future. Indeed, President No braved some objections and many risks to undertake the momentous summit diplomacy vis-a-vis the Japanese leadership.

The welcome the President received in Japan and the outcome of his talks with Japanese Emperor Akihito and Prime Minister Toshiki Kaifu showed that President No's positive approach to Japan was well reciprocated. The three-day trip rounds off a series of dynamic and extensive diplomatic ventures that have taken No to many parts of the globe, including North America, Southeast Asia and Europe thus far. Seoul's broadening foreign relations have achieved an even higher dimension with his visit to Japan.

Our keen concern had been focused on how Japan would express repentance over its past wrongdoings in Korea to admit that Japan inflicted suffering on the Korean people. Emperor Akihito, in a speech at a dinner he hosted Thursday for President No, said, "I think of the suffering your people underwent during the unfortunate period (the 1910-1945 Japanese colonial rule of Korea), which was brought about by my country, and cannot but feel the deepest regret." The emperor's address thus clearly mentioned Japan as the one that inflicted damage and suffering on the Korean people, simultaneously expressing his desire not to see the unfortunate past repeated.

President No displayed magnanimity by responding to Akihito's speech, "Our two nations must forge a new era of friendship and cooperation based on a proper historical perspective, putting the mistakes of the past truly behind us."

By diplomatic practice, the emperor's expression of "deepest regret" can be accepted as a form of apology showing repentance. This can be so interpreted in view of the emperor's position symbolizing Japan and its people as well as the legal restrictions on him. Yet, there also are arguments saying it falls far short of a genuine apology.

An explicit remark of apology came from Prime Minister Kaifu, who said during his summit with No, "I am deeply repentant and extend a frank apology about the fact that the Korean people suffered unbearable hardships and sorrow because of the activities committed by my country."

There has been a lingering enmity between the peoples of the two nations, even though 45 years have elapsed since Korea was liberated from Japanese colonial rule and 25 years since they normalized official relations. The widespread ill feeling among many Koreans toward Japan is rooted in their bitter memories of the oppressive, and often atrocious, behavior of Japanese colonialists. Such behavior resulted in the deaths of many innocent Korean citizens who sought to regain the lost independence of their nation. Korea would not be a divided nation now if it had not been occupied by Japan.

All this notwithstanding, the peoples of the two nations are now willing to let bygones be bygones in hopes of establishing a good-neighbor relationship in quest of the common goals of freedom and democracy, peace and prosperity. We hope that Emperor Akihito's remarks will truly prove sincere enough to demonstrate, from now on, to the Korean people how regretful he and the Japanese people are over their past misconduct against Koreans.

It is our belief that the establishment of a lasting friendship and cooperative relations between our two nations cannot be achieved without a genuinely remorseful attitude among not only Japan's leaders but also the common people. Regretfully, there still is a tendency among many Japanese to look down on Koreans. This attitude is reflected in their social discrimination and unfounded prejudice against some 700,000 Koreans living in Japan.

Until Japan lives up to its words, the abundance of cordial remarks and friendly gestures showered on President No will be more lip service. To what degree these words are proved in deeds will determine whether we can set an example of neighborly relations for the whole world to see. All the words expressed by Emperor Akihito and Prime Minister Kaifu await sincere and concrete action to follow through.

A forward-looking posture is the name of the game in the maturing partnership between Korea and Japan in the unfolding Pacific era. Lessons of the unpleasant past must be turned to our advantage to enrich and inspire endeavors to build a bright future together.

Kim Il-song's United Nations Proposal Analyzed

SK3105233190 Seoul CHOSON ILBO in Korean 25 May 90 p 2

[Article by reporter Kim Sung-yong: "A Ruse Designed To Block the ROK's Admission into the United Nations"]

[Text] Even though Kim Il-song's 24 May proposal for the joint admission of the North and South into the United Nations is only an offshoot of his earlier proposal in 1980 for reunifying the country through the founding of the democratic confederal republic of Koryo, it can be seen as a new proposal because Kim Il-song has made his position clear, for the first time, that "the joint admission of the North and South into the United Nations as one member prior to reunification of the two sides is acceptable."

However, this proposal also appears to have very little chance of being realized because the North and South have taken sharply different stands on such matters as international terrorism and the Palestinian issue.

Observers see Kim Il-song's proposal on 24 May rather as an external propaganda ploy designed to apply a brake to South Korea's unilaterally search for a UN seat. A dominant interpretation among the observers of the proposal is that after putting forth a practically unfeasible proposal, North Korea is trying to seek propaganda effects by declaring to the outside world that "North Korea is sincere in its attitude toward the admission of the two sides into the United Nations, but no settlement has been made becuase of the Southe's opposition to it."

In fact, since the outset of this year North Korea has been dropping hints of such a proposal in the United Nations and East Europe in the face of the growing possibility of South Korea's unilateral admission into the United Nations thanks to the successful northern diplomacy. In particular, the accelerated moves by West and East Germany and North and South Yemen to reunify their countries have further reduced the ground on which North Korea's UN policy can stand on, thereby forcing North Korea to put forward such a proposal. The fact that countries having their own separate seats in the United Nations, such as East and West Germany and North and South Yemen, find their UN membership not to be an impediment to their reunification causes North Korea's hitherto assertions that "the joint admission of the North and South into the United Nations will only perpetuate the division of Korea" to lose its persuasiveness.

Meanwhile, Kim also said in his speech that "he will keep exerting efforts in various forms to expand and develop peace on the Korean peninsula," but he has shown no great change in his stand by also repeating his earlier calls for the concrete wall to be pulled down and for the National Security Law to be abolished.

Contrary to the expectations entertained by some observers, Kim Il-song's policy speech on 24 May has broached no unprecedented proposals except for the one that calls for the North and South to be admitted into the United Nations as one member. Thus, North Korea is expected for a while to adhere to its current policy of taking an elusive attitude toward the North-South dialogue as in the past while trying to improve relations with such western countries as the United States on a limited scale.

No-Kim Tae-chung Meeting Postponed Second Time

SK3105010690 Seoul YONHAP in English 0159 GMT 31 May 90

[Excerpt] Seoul, May 31 (OANA-YONHAP)—Talks between President No Tae-u and opposition leader Kim Tae-chung were postponed for a second time Thursday due to No's "important schedule," a political source said.

The meeting was originally scheduled for Tuesday but was put off until early June because the National Assembly met on the same day to elect a new leadership. It will now be in mid-June, the source said.

"It was necessary to reschedule the No-Kim meeting due to President No's important schedule," the source said, declining to go into details. [passage omitted]

One-Day Special Assembly Session Announced

SK2605054890 Seoul YONHAP in English 0501 GMT 26 May 90

[Text] Seoul, May 26 (YONHAP)—South Korea's National Assembly will elect a speaker and two vice speakers in a special session on Tuesday while the ruling and opposition parties grapple with each other.

Outgoing Speaker Kim Chae-sun announced Saturday morning that the 149th special assembly session would last for one day.

Earlier in the morning, the ruling Democratic Liberal Party (DLP) submitted a request for the session signed by 217 DLP lawmakers, including floor leader Kim Tong-yong.

In Tuesday's plenary session, lawmakers will have only one choice for speaker, DLP nominated Pak Chun-kyu, and two choices for the two vice speaker spots, Kim Chae-kwang of the DLP and Party for Peace and Democracy (PPD) nominee Cho Yun-hyong.

Election requires a simple majority.

Kim Tae-chung's PPD, which has just 70 seats, is expected to make a bid to stop the DLP leaders from being elected. The PPD accuses the DLP of scheming to "monopolize the chairmanships of the National Assembly standing committees."

Students Sentenced in Death of Suspected Informer

SK2605011890 Seoul THE KOREA HERALD in English 26 May 90 p 3

[Text] The Seoul Appellate Court sentenced four college students to prison terms ranging from three to four years yesterday for beating to death a 20-year-old junior college student who they believed was a police spy.

Sentenced to jail for four years are Yang Yong-chun, 27, a law student at Yonsei University, and Kim Chong-pyo, 22, a journalism major, and Chang Yang, 26, a physical education senior, both from Korea University.

The higher court also sentenced Yi Son-uk, 22, a Yonsei economics junior, to three years in jail.

Senior Judge Song Che-hon, however, released Kim Hyon-chol, 24, another Yonsei student, who was involved in the death of So In-chong, with a three-year suspended jail term.

The five defendants were sentenced to prison terms ranging from four to eight years at a lower court and appealed to the higher court.

The court, however, dismissed a suit by five other defendants who appealed after being sentenced to three-year suspended jail terms, upholding the Seoul District Criminal Court's ruling.

Song said in a ruling, "The defendants seemed repentant of only the death itself of the victim. But, I think a major reason why they were denounced by the people is not because of the result. [sentence as published, no end quotes as published]

Prosecution Indicts Former Inspection Official

SK2605011090 Seoul THE KOREA HERALD in English 26 May 90 p 3

[Text] The prosecution termed as groundless allegations by a government inspector that his agency has had to stop probes of numerous irregularities committed by the Seoul City administration, big business and other organizations from "outside pressure."

In the meantime, the prosecution indicted Yi Mun-ok, 50, a section chief level official of the Board of Inspection and Audit (BAI), on charges that he leaked to the press secrets related to his duties.

He was arrested last Tuesday for presenting to a radical daily a secret BAI report concerning real estate holdings of 23 big conglomerates.

In a Wednesday hearing held to review his arrest at a Seoul district court, Yi exposed further "secrets" which were allegedly hushed up by his BAI superiors.

Prosecutor Han Pu-hwan at the Prosecutor General's Office told reporters that all of Yi's claims turned out to be unfounded.

But he said Yi will be subject to no charge other than the previous one which was the basis of his arrest.

The prosecution found no evidence that the Seoul City government had misused 8.8 billion won to support the ruling party and its candidates in the 1987 presidential and 1988 legislative elections, as claimed by Yi, the prosecutor said.

Prosecutor Han described as baseless the allegation that the BAI was unable to levy 1.2 billion won of taxes on the Sunkyung Group in 1988 because the big conglomerate is run by President No Tae-u's relative by marriage.

The tax could not be imposed on Sunkyung in accordance with provisions of tax laws, not due to "outside influence," as alleged by Yi, the prosecutor said.

Yi had also claimed that the BAI has stopped tax inspections of the mighty Samsung Group for unjustified reasons.

TONG-A ILBO Strike Ends After Two Days

SK0106012290 Seoul YONHAP in English 0045 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—Union and management negotiators of the daily TONG-A ILBO successfully concluded contract talks Thursday afternoon, ending a two-day strike.

In the four-hour round of negotiations, the two sides agreed that editorial decisions will be made with the participation of reporters but that the final say is the editor's.

As for strike pay, another hot issue, the union agreed to respect the "no work, no pay" principle and management agreed that wages unpaid during strikes would be paid in forms other than wages.

They also agreed to an 8-percent raise in basic pay and hikes of 10 percent in overtime pay and transportation allowances.

Union members walked out Wednesday over a deadlock in collective bargaining for the first time in the paper's 70-year history and DONG-A's Thursday issues were eight pages instead of the usual 16 pages.

Accords With Japan To Help Technology Transfer

SK0106054390 Seoul THE KOREA HERALD in English 1 Jun 90 p 4

[Text] The accords reached between Korea and Japan for closer cooperation in the field of science and technology were among the chief achievements of President No Tae-u's visit to Japan. The common efforts of the two neighbors to wipe the slate clean and work for a better future relationship should and could materialize most tangibly in the technical and economic areas.

The bilateral agreements cover diverse spheres of basic sciences, high technology and atomic energy. The foremost need for energizing cooperation is felt in the transfer of high technology, a step at which Japan has been balking since the late 1980s.

The science and technology pact concluded between Seoul and Tokyo in 1985 has hardly been fully operative over the past few years because of the unwillingness on the part of the Japanese government and business interests.

They apparently feared the likely fast growth of Korean industries by virtue of assimilating the advanced know-how of Western industrial powers including Japan to compete with and boomerang against Japanese products—mostly automobiles, televisions and VCRs—in the world market.

The slowdown in the introduction of Japanese technology started after 1987. It fell from 307 cases in that year to 180 in 1989. Technical cooperation had been on the rise since the early 1970s by 20-30 percent annually.

The renewed accord to step up joint endeavors in this respect is believed to give a strong and timely impetus to induce the two nations to work together effectively to promote Korean technology in new materials development, aviation and space engineering, life science and oceanography besides nuclear science.

Private industries ought to join the government in facilitating th inducement of sophisticated know-how from Japan, whose good faith and commitment are essential to attaining successful bilateral cooperation.

Japanese Profits Highest Among Foreign Banks

SK2905063490 Seoul YONHAP in English 0537 GMT 29 May 90

[Text] Seoul, May 29 (OANA-YONHAP)—Japanese banks doing business in South Korea had higher profits last year than other foreign banks, a report by the Office of Bank Supervision and Examination (OBSE) said Tuesday.

During the fiscal year ending April 1, the 14 Japanese banks here had net profits of 22.6 billion won (31.83 million U.S. dollars), up 9.2 percent from the previous year, the report said.

The net profits of the 51 other foreign banks here averaged an increase of 3.9 percent, the report said.

Tokyo Bank took top spot with 5.1 billion won (7.18 million dollars), Sumitomo came next with 4.9 billion won (6.9 million dollars), Juji came in third with 2.8 billion won (3.94 million dollars) and Dai-ichi Kangyo had 2.1 billion won (2.96 million dollars), it said.

Among the four banks that opened in 1988, Taiyo Kobe, Saitama and Daiwa recorded losses while Kyowa was in the black.

The total assets of the Japanese banks rose 3.9 percent to 2.161 trillion won (3.04 billion dollars), compared with 3.7 percent for the other foreign banks.

The return on assets was tallied at 1.05 percent, low compared with 2.13 percent for the other banks, as Japanese banks are conservative money managers and avoid investments in securities and foreign exchange, OBSE said.

Seoul-Beijing Direct Flights Not Approved

SK0106033890 Seoul YONHAP in English 0250 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—The lack of diplomatic ties with China is posing a problem for South Koreans wanting to attend the Beijing Asian Games in Sptember.

Korean and Chinese officials failed to agree on transportation arrangements for would-be spectators at talks in Beijing last week, Transportation Ministry officials said Friday.

In the talks, the Chinese side offered to allow Korean jetliners to fly directly between Seoul and Beijing during the games, but carrying only athletes and official delegates.

Chinese officials said tourists could take commercial flights to Shanghai and then reach Beijing by other means.

China's position is apparently intended to pacify North Korea, a strong communist ally, by preventing direct flights and for now it is uncertain how many South Koreans will make it to Beijing.

The ministry plans to hold one more round of talks to get approval for direct flights during the Asian Games.

Travel agencies, which are selling tickets for the Chinese tour, expect the number of spectators to be lower than anticipated if the Seoul-Beijing route is closed.

The difficulty of moving from Shanghai to Beijing will cause a drop in numbers, along with the lack of a safety guarantee in a nation with which Seoul has no diplomatic ties, according to the agencies.

Chinese Trade Delegation Begins Visit to Seoul

SK3105073490 Seoul YONHAP in English 0517 GMT 31 May 90

[Text] Seoul, May 31 (OANA-YONHAP)—A Chinese trade delegation arrived in Seoul Thursday for a week-long visit to discuss the promotion of bilateral trade and joint ventures at the invitation of Korea Trade Promotion Corp. (Kotra), a Kotra official said.

The seven-member delegation is led by He Chengda, vice president of Liaoning Province's Chamber of Commerce and Industry under the China Council for Promotion of International Trade (CCPIT).

During their stay until June 7, the delegates are to meet with senior officials from Kotra, including Kotra President Yi Sun-ki, and officials from the international Private Economic Council of Korea (IPECK) to discuss ways of extending trade as well as setting up an economic cooperation council between IPECK and Liaoning, the official said.

The Chinese delegation will also hold a briefing session on the province's investment circumstances for foreign businesses, the official said.

Business Pullout From Communist Nation Noted

SK3105035290 Seoul YONHAP in English 0249 GMT 31 May 90

[Text] Seoul, May 31 (OANA-YONHAP)—A South Korean wig maker has pulled out of China, leaving behind part of its investment in a joint venture, the first such incident among Korean businesses in communist nations.

Daihwa Co. withdrew because of disruptions to production schedules, a company official said Thursday.

Established in the Shenzhen Special Economic Zone in Guangdong, Bao An Country [as received] Hui He Manufactory was a 50-50 joint venture wig plant with Hong Kong-based White Kent Co. Formed in December 1988.

The Koreans got back 150,000 U.S. Dollars of their 250,000 dollar investment, the company official said.

In operation since February 1989, the factory was forced to close in January because the Chinese workers were "unproductive" and failed to live up to corporate expectations, said Kim Hong-kyon, vice director of general affairs.

"We could not improve. Complaints flooded in from customers abroad about the workers' scant regard for delivery and quality," Kim said.

The factory employed 20 skilled Korean workers and 300 Chinese workers, but was confronted by so many unexpected problems in addition to the unqualified labor force it had to withdraw since the problems could not be solved in a short period, he said.

Out of Korean investments in socialist countries, those below 1 million dollars are the majority, and nine projects of 15 approved by the central bank in the first four months of this year were valued below 1 million dollars.

Encouraged by the government's financial support system, in which up to 90 percent of the investment is government-approved bank loans, many businessmen are headed for communist nations, industrial sources said.

"However, they should be more careful before jumping into expensive ventures for few Korean joint-venture firms operate normally," they said.

Port Visits by East-Bloc Vessels Reported

SK2905022890 Seoul YONHAP in English 0218 GMT 29 May 90

[Text] Seoul, May 29 (YONHAP)—Expanding trade and diplomatic exchanges with the East bloc are bringing more and more ships from the region to South Korean ports, according to the Korea Marine and Port Administration.

It said 518 ships from the Soviet Union and other East-bloc nations visited Korea last year, a remarkable increase from 142 ships in 1988. In the first four months of this year alone, the number of ships was 190.

Last year, 249 ships came from the Soviet Union, 97 from Yugoslavia, 53 from Vietnam and 32 from Poland.

By ports, 279 of them called at Pusan, 167 at Ulsan, 153 at Inchon and 47 at Pohang.

Of the 190 vessels so far this year, 121 were Soviet, 27 Yugoslavian, 15 Vietnamese and 14 Polish.

Korea established full diplomatic ties with Poland late last year and with Yugoslavia early this year. Seoul also set up consular ties with Moscow this year.

Blaming Foreigners for Economic Woes Criticized

SK0106055090 Seoul THE KOREA HERALD in English 1 Jun 90 p 1

[Article by Cho Se-hyon]

[Text] I cannot say since when, but we seem to have developed a bad habit of blaming other countries for our own trouble.

An MBC radio commentator said recently that the Koreans are now spending billions of won to buy imported luxury goods such as cars, refrigerators, furniture and even stockings creating huge trade deficits month after month.

That, he said, was the fault of the United States because the Americans cultivated our taste for foreign products when they extended economic aid to our country mainly during the 1950s and 1960s.

Instead of providing us with the industrial plants and capital needed for economic development, he said, the United States only gave us food and other consumer goods. As a result we are hooked on foreign-made goods.

Maybe I'm too thick to follow his reasoning. But I would have thought that when a nation was hungry and destitute, it was food and other daily necessities like soap and clothes that it needed, not industrial plants and machinery.

I know it is fashionable these days to be anti-American over one thing or another, but blaming the United States for our shopping habits was stretching the point a bit too far. After all, America did not have to give us anything.

We are like a drowning man in a Korean adage who, when he was rescued, demanded that his rescuer find his bag as well.

In a similar line of thinking, the Transportation Ministry announced the other day that it will ban imports of foreign trucks and other large vehicles, especially those made in Sweden, if they are found to emit excessive exhaust fumes.

It was part of government efforts to check the nation's worsening air pollution. But does the government really believe that taking a few hundred foreign-made vehicles off the streets could help reduce air pollution? What about tens of thousands of domestically produced buses and trucks that belch black smoke from their exhaust pipes? It cannot be that only the carbon monoxide emitted from foreign-made trucks causes pollution.

Meanwhile, grave concern was being expressed by the nation's movie industry, educators and other civil leaders over what they say was "decadent" influence of the Hollywood movies on young Koreans. But I've seen movies produced by Koreans which were worse than foreign movies or, at best, poor imitations of them.

Some people also accuse a Japanese television station of "invading" our living rooms with its decadent programs when, in fact, you need a considerable sum of money and effort to install a special antenna to catch Japanese television broadcasts off a satellite.

The list of such ridiculous complains goes on and on.

Finding a scapegoat in foreign elements during a troubled time is an old trick. It happens everywhere. The Japanese, for instance, blamed Koreans for the fire that erupted after the great earthquake hit Tokyo on Sept. 1, 1923, and massacred thousands of Korean residents there. And we all know what happened to the Jews in Nazi Germany shortly before and during World War II.

But why are we now blaming foreigners for something over which we have complete control? If we are concerned about worsening trade deficits and if we really believe the country is in some kind of crisis, we all know what we can do.

Importers could bring all the foreign goodies they could lay their hands on, but they could not ram them down our throats if we refuse to buy them. In a free world, no one can force us to watch foreign movies or television, either.

Here, I'm not advocating the indiscriminate boycott of foreign products in this country; people can buy all they want, but they shouldn't turn around and blame someone else for their folly afterward.

I don't think that our taste for foreign goods was acquired, as the MBC commentator claimed. Rather it comes from the vanity of some of our people who are compelled to show off because of their deep-seated feeling of insecurity or inferiority.

We are not yet rich enough for everybody to own a Mercedes car or even carry a Gucci bag, but we are rich enough not to envy those who do.

Membership in GATT Procurement Accord Sought

SK3005091790 Seoul YONHAP in English 0821 GMT 30 May 90

[Text] Seoul, May 30 (OANA-YONHAP)—South Korea will apply June 29 to join the Agreement on Government Procurement of the General Agreement on Tariffs and Trade (GATT), government officials said Wednesday [30 May].

Korea will open bilateral negotiations with about 20 countries that subscribe to the GATT accord in the latter half of this year to seek their approval. They include the United States, Japan and members of the European Community.

Once Korea subscribes to the agreement, the government will allow foreign and local firms equal participation in procurement projects.

In reciprocation, Korean companies will be granted equal participation in government procurement by other subscriber countries, which could help exports, they said.

Ministry Announces Participation in GATT

SK3105013890 Seoul THE KOREA TIMES in English 31 May 90 p 9

[Text] Korea will join forces with the world's major importers of agricultural products in a bid to help reflect its opinions in the ongoing Uruguay Round agricultural talks, the Agriculture, Forestry and Fisheries Ministry announced yesterday.

The nations mentioned include Japan, Finland, Sweden, Switzerland, which are in the same position in the talks because of their heavy dependence on foreign farm products.

Ministry officials said Korea will take an active part in informal meetings of such nations from now on, to enable them to exchange information about current moves of the Uruguay Round talks on agriculture, which began in 1986.

The talks, intended to liberalize commerce around the world, are being carried out within the General Agreement on Tariffs and Trade (GATT) and are due to be wrapped up at a December ministrial meeting in Brussels.

"If possible, we will seek to establish a set of joint strategies with them in an effort to strengthen our bargaining power in the multilateral negotiations," a ministry official said.

The official predicted that the outcome of the talks would have a serious impact to Korea's farm industry in the future, adding that the United States and the European Community dominate the talks while Korea remains on the defensive.

He feared that the agricultural talks might end up with a political compromise between the U.S. and the EC at the final moment, bringing a heap of problems for Korea's sagging farm industry.

Claims are divided among Uruguay Round participants on how to create an international trade system on farm products.

Most participants agree in general on what is called "tariffication," under which all kinds of non-tariff barriers would be converted into a single barriers—customs duties on imported farm products.

With regard to internal support, they almost were close to agreeing to phase out some farm assistance programs gradually while continuing others according to the situation facing each country.

The biggest fight involves the U.S. effort to end export subsidies for agricultural products, something the EC opposes.

The U.S. wants an end to far subsidies in 10 years, but the EC opposes their complete elimination and instead hopes for a gradual reduction of farm subsidies.

"Amid the anticipation that the new farm trade system would be more liberalized, we have no alternative but to emphasize the special significance farm products hold in the national economy," ministry officials say.

The last weapon that nations like Korea could resort to is the so-called NTC (Non-Trade Concerns), which means that nations would be authorized to ban imports of some kinds of farm products that are crucial to their economies under the new system.

Japan, for example, wants to maintain self-subsistence in rice production and Korea hopes to protect rice and some other key farm products.

Even though the NTC is adopted in the new GATT rule, we will probably find it harder to block as many foreign farm products as we want," they said.

Maritime Talks To Cover Discrimination, Ties

SK3005080890 Seoul YONHAP in English 0133 GMT 30 May 90

[Text] Seoul, May 30 (OANA-YONHAP)—The second annual maritime talks between South Korea and the European Community (EC) opened here Wednesday [30 May] afternoon with the two sides hoping to talk over a wide variety of pending issues.

The Korean side is seeking increased bilateral cooperation as Korean shipping companies will face rough sailing without close assistance from their EC counterparts.

The EC is strongly demanding that Korea end discrimination against EC ships in the use of Korean port facilities, abolish the cargo reservation (waiver) system and open its shipping agent, brokerage and trucking businesses to EC firms.

In response, the Korean side is reportedly ready to do away with discrimination against EC ships as soon as possible in order to promote bilateral cooperation, but is asking for more time before allowing EC firms to participate in the business sectors as Korean firms are less competitive.

So Chae-kuk, director general of the Korea Maritime and Port Administration's Transport Bureau, heads a seven-member Korean delegation comprising officials from the Foreign, Transportation and Finance Ministries in the two-day meeting.

The three EC delegates are Juergen Erdmenger, team leader and the European commission's director for marine affairs, a legal adviser to the European commission and a first secretary of the EC representative to Korea.

Korea and the EC had their first round of maritime talks in Brussels in June 1989, and agreed to have annual meetings to promote bilateral maritime cooperation.

Finance Minister To Attend European Meeting

SK2605060890 Seoul YONHAP in English 0515 GMT 26 May 90

[Text] Seoul, May 26 (YONHAP)—South Korean Finance Minister Chong Yong-hui leaves for Paris on Sunday to attend a ceremony to establish the European Bank of Reconstruction and Development on Tuesday [22 May].

Chong will represent Korea at the signing of the articles of incorporation at the Elysee Palace, the French president's official residence.

The bank is designed to support economic reforms in Eastern Europe and delegates from 40 governments, the European communities and the European Investment Bank will attend the ceremony.

Plans To Set Up Branches of Companies in EC

SK3105011290 Seoul YONHAP in English 0226 GMT 31 May 90

[Text] Seoul, May 31 (YONHAP)—The South Korean Government will turn the European branches of Korean companies into locally incorporated firms to circumvent the protective barriers expected after integration of the European Community (EC) in 1992.

Deputy Prime Minister Yi Sung-yun, attending the fifth conference of the overseas cooperation council at the Economic Planning Board (EPB), said Wednesday that the government will make Korean companies transform their branches in Europe into corporations.

The government will change branches of financial institutes into corporations before 1992 to finance incorporation of the other branches and will establish branches of financial institutes in East Europe, said Yi, who is head of the EPB.

The government is afraid the EC will pursue total economic self-sufficiency through internal trade, restricting imports, a government source said.

The government believes that direct investment in Europe is the most effective way to cope with the tightening protective net, the source said.

The government will work out solutions to strengthening protectionism in Europe prior to integration, he said.

Delegation Named for UN Conference in Bangkok

SK0106093090 Seoul YONHAP in English 0913 GMT 1 Jun 90

[Text] Seoul, June 1 (YONHAP)—Ambassador-at-Large No Chae-won will head the South Korean delegation to the 46th general meeting of the UN Economic and Social Commission of Asia and Pacific (ESCAP) Monday through June 13 in Bangkok, the Foreign Ministry announced Friday.

No will deliver a keynote speech which will call for mutual cooperation among the Asian and Pacific-Basin countries and the enhancement of ESCAP's role in the promotion of free trade and structural reforms of industries in the region, the ministry said. The 47th meeting of the commission will be held in Seoul in the first half of next year, it said.

Brunei, Malaysia & Singapore

Malaysia

Commentary on U.S. Withdrawal of GSP Privileges

BK2205112190 Kuala Lumpur International Service in English 0800 GMT 22 May 90

[Station commentary]

[Text] Malaysia has reacted with restraint to the call by a human rights group in the United States for withdrawal of GSP [Generalized System of Preferences] protection. The group, of course, has every right to proceed with this action. However, the real issue is whether there is sufficient and credible grounds for its move.

The GSP arrangement is meant to benefit developing countries in their quest for better living standards for their people. It is regrettable that group has become so politicized. What was intended to be a source of stability and encouragement to small countries seeking to progress has become an unnecessary confrontational matter.

The Malaysian Human Resources Minister Datuk Lim Ah Lek has responded to the challenge sensibly and reasonably. He has invited the main personalities who leveled charges against the Malaysian labor policy to visit Malaysia and check their facts. That would be really the best way to obtain a clear idea of the quality of life enjoyed by workers in Malaysia. The minister has stressed that the interest of workers are always foremost in the national policymaking processes.

The allegations leveled at Malaysia can be easily countered or explained. The fact that there was no minimum wage for a large number of workers is (?cited). But the truth is, in spite of that absence, Malaysian workers earn wages that are competitive to those in neighboring countries. The free market quotas of supply and demand determine wages and salaries. It is a fact of life that the demand for skilled workers is on the increase, thanks to the steady flow of capital into Malaysia. The situation is such that employers keep on advertising for workers even to the extent of walk-in interviews.

It is interesting to note that a spokesman for the human rights group has singled out one establishment in his list of grievances. That was disclosed only after the minister's open invitation. It would appear that one company's alleged shortcomings are used to brand the entire electronics industry. Further, a similar allegation brought against Malaysia was rejected by the U.S. Government in 1988.

If [words indistinct] possible scenario were to become reality, Malaysia would lose its GSP protection. The effect would be that Malaysian electronic products would lose a good market. That in turn will have an adverse effect on nobody else but the workers whom these groups from far-away Washington profess to be concerned about.

The Malaysian prime minister has pointed out the crucial factor. Malaysia is striving to improve its economy and the quality of life of all its citizens. Those who want to help the workers must devote their energy to more worthwhile goals. Ardent advocacy, of course, without a sound basis in realism will not help anybody in the long run. Malaysians hope that the issue will not be blown out of proportion, and that it will be settled amicably.

Mahathir Says Purchase of Tornado Jets UnLikely

BK2505065590 Kuala Lumpur International Service in English 0600 GMT 25 May 90

[Text] Malaysia is not likely to buy the Tornado fighter jets and will purchase cheaper and less sophisticated jets made in Britain. The prime minister, Datuk Sri Dr. Mahathir Mohamed, said the review had been conducted and it had been found that Malaysia did not need expensive and sophisticated jets like the Tornado. The alternative is possibly the British-made Hawk jets.

The prime minister said this when answering questions by newsmen in Kuala Lumpur this morning. Datuk Sri Dr. Mahathir added that the country still had to buy British-made jets because of the memorandum of understanding signed with the British Government two years ago. Under the memorandum, Malaysia is to purchase 4,500 million ringgit worth of defense equipment from Britain.

The prime minister said that in the past the government was criticized for dealing directly with companies when buying defense equipment. Certain quarters claimed malpractices in the purchase of the equipment. However, even when Malaysia dealt directly with the British Government, the criticisms still continued. According to the prime minister, these quarters only wanted to find fault with the government.

Earlier, the prime minister witnessed a try-on of the opening ceremony of the G-15 [Group of 15] summit at the Parliament House. On the summit, he said so far 10 heads of government had confirmed their attendance at the meeting. However, the heads of government from Jamaica, Egypt, Brazil, Mexico, and Peru could not attend due to prior commitments.

Singapore

Internal Security Detainee Release Reported

BK0106114490 Singapore Domestic Service in English 1100 GMT 1 Jun 90

[Text] The government has suspended the detention order of Teo Soh Lung and released her with restrictive conditions. In a statement issued by the Home Affairs

Ministry, the government says the Internal Security Department is now satisfied that Teo has been rehabilitated enough to be released.

Cambodia

Spokesman Rejects UN's 'Erroneous' Resolution

BK3105115990 Phnom Penh Domestic Service in Cambodian 1100 GMT 31 May 90

[31 May statement by the Cambodian Foreign Ministry spokesman—read by announcer]

[Text] On 25 May the conference of the UN's Economic and Social Council—Ecosoc—adopted a resolution distorting the real situation in Cambodia by alleging that the war in Cambodia is still continuing because of foreign troops which have been sent back into Cambodia.

Everyone knows that the Vietnamese volunteer troops have been completely withdrawn from Cambodia since 27 September 1989 and that not a single foreign soldier can be found in Cambodian territory. If the war is still continuingn in Cambodia, it is because a number of foreign countries continue to supply arms and ammunition to the genocidal Polpotists and their allies to help them oppose those who are working to prevent the return of the genocidal regime.

This resolution shows that Ecosoc has allowed itself to be used by some countries in the region and by reactionary forces to mislead public opinion, to interfere in the state of Cambodia's internal affairs, and to oppose the interests of the Cambodian people and the aspirations of the world's people who are seeking peace for the region. At a time when the Cambodian problem has arrived at an initial stage of settlement and the role of the United Nations is being considered, it is preferable that efforts be made to promote and create an atmosphere of mutual trust. This action of Ecosoc can only hinder the search for a solution to the Cambodian problem and breed mistrust of the United Nations.

The Ministry of Foreign Affairs of the state of Cambodia deeply deplores this erroneous resolution and totally rejects this groundless slander of Ecosoc. It is disappointed with the United Nations' attitude, which leans toward one side and opposes the other side in Cambodia.

The Cambodian people resolutely pledge to defend the independence, sovereignty, and territorial integrity of their country. Only the Cambodian people have the right to determine their own destiny.

Phnom Penh, 31 May 1990

SPK Interviews Hun Sen on Tokyo Talks

BK3105131990 Phnom Penh Domestic Service in Cambodian 1300 GMT 31 May 90

[SPK interview with Council of Ministers Chairman Hun Sen on his upcoming trip to Tokyo; date not given—read by announcer]

[Text] [Question] Mr Chairman: You are going to Tokyo to meet with Samdech Sihanouk. We have learned that in Tokyo you might sign an agreement on a cease-fire and the cessation of foreign military aid. Will that happen?

[Answer] The end to the civil war, and peace, are the common aspirations of the Cambodian people and peace-loving nations the world over. Our government has proposed a cease-fire and the cessation of military aid under international control since 1988, especially at the Paris International Conference on Cambodia. After the Paris Conference, which was concluded without any agreement, Thai Prime Minister Chatchai Chunhawan also made a suggestion about a cease-fire. I discussed this matter with him when I visited Bangkok in September 1989, just a few days before the complete withdrawal of Vietnamese troops from Cambodia. In general, I found common ground with the Thai side concerning the cease-fire, cessation of military aid, an international control for the above-mentioned issues, and an international verification of the Vietnamese troop pullout from Cambodia.

It is regrettable that our proposal as well as that of the Thai prime minister concerning a cease-fire did not receive much attention and were not implemented. On the contrary, fighting has been promoted for a long time against the blood and flesh of the Cambodian people, resulting in countless losses in human lives and property and causing untold sufferings to the Cambodian people.

After more than seven months of testing our military strength following the withdrawal of Vietnamese troops from Cambodia, all factions and countries involved have come to realize the need for creating an atmosphere of mutual trust in order to advance toward a comprehensive political solution, beginning with a cease-fire and the cessation of military aid under international control. Australia has been busily engaged in diplomatic activities in the wake of the unsuccessful Jakarta meeting. Australia's diplomatic activities for peace have met with the goodwill and desire for peace of His Excellency Chatchai Chunhawan and His Excellency Chawalit Yongchaiyut. These activities have also coincided with the desire of our government which has long proposed a cease-fire and the cessation of military aid under international control. Japan supported this initiative and has offered a venue for the meeting between our government and the government of the Cambodians on the other side.

According to the latest report, the government of the Cambodians on the other side has agreed to discuss and sign the cease-fire agreement. Therefore, this has become the common ground which will make it possible to put an end to the armed hostilities between fellow Cambodians and to stop all foreign military aid.

[Question] According to the agenda of the talks, there is no mention of discussion on the overall trend of a political solution. There are only the topics of a cease-fire, cessation of military aid, international control, and formation of a national council. Will the problem end on the strength of these points only?

[Answer] The Cambodian problem must be solved through political means and will end through a free and democratic election. Therefore, the cease-fire agreement and the cessation of military aid can in no way replace a comprehensive settlement agreement. They are merely steps toward creating mutual trust which might become a part of the overall solution. In other words, they are starting points for a global solution. Therefore, after the signing of the agreement, all factions and countries involved must continue activities in order to arrive at the final stage of the comprehensive political solution.

[Question] When will the cease-fire agreement take effect if it is signed in Tokyo?

[Answer] It is the wish of our government that the agreement become effective as soon as possible even if there is no international control mechanism—ICM—for we hold that the blood of the Cambodian people should not be shed unnecessarily, and this cease-fire is a voluntary one. It all depends on whether the Cambodian factions want to stop fighting or not. If they agree to cease all fire, then there will be no fighting and this will facilitate the task of the ICM. On the contrary, if the Cambodian factions want to fight, no matter how efficient the ICM may be, it will not be able to control the fighting. This is an important test of the goodwill of Cambodians. The objective is to douse the flames of war and realize national reconciliation.

How long will it be effective? As I mentioned above, this agreement cannot replace an overall settlement agreement. Therefore, the agreement will have effect and value until there is an agreement on a comprehensive solution.

[Question] You just talked about a cease-fire even before the arrival of the ICM. How would you manage it so that this agreement is signed before there is an ICM?

[Answer] The implementation of agreements calls for international control through an ICM. This control will not be for a cease-fire and the cessation of military aid only. It will also verify the withdrawal of foreign troops from Cambodia. Therefore, in Tokyo I will discuss with Samdech Sihanouk the idea of asking the co-chairmen of the Paris conference to set up an ICM. In order to speed this process up, we call for the early convening of the first committee of the Paris international conference.

Hun Sen Leaves for Moscow, Tokyo Talks

BK0106050390 Hong Kong AFP in English 0432 GMT 01 Jun 90

[Text] Hanoi, June 1 (AFP)—Prime Minister Hun Sen left Phnom Penh Friday for Tokyo, where he is expected to sign a ceasefire agreement with the Cambodian resistance, Cambodian diplomatic sources here said.

Mr. Hun Sen was to make a stop here before leaving for Moscow, the last leg of his [as received] before he reaches Tokyo, where he is to meet resistance leader and former Cambodian monarch Prince Norodom Sihanouk.

Other than the ceasefire, the two men will also discuss the creation of a supreme national council and the end of foreign military aid to the country's warring factions in a bid to end the 11-year Cambodian conflict, the sources said.

Vietnam and the Soviet Union are the main backers of the Phnom Penh Government, which was installed in January 1979 after Vietnamese troops invaded Cambodia to oust the Khmer Rouge. The communist Khmer Rouge is now the strongest faction of a three-party resistance coalition that also groups non-communist followers of Prince Sihanouk and former Premier Son Sann.

Public Urged To Apply for Land Ownership

BK2605102190 Phnom Penh Domestic Service in Cambodian 0430 GMT 26 May 90

[Text] The Second National Conference of party cadres held in April 1989 adopted a decision on the policy toward the tenure and use of land. This policy ensures the rights to ownership for all categories of land in the State of Cambodia.

This policy on tenure and utilization of land clearly stipulates: All land in the State of Cambodia are state property. The state shall take measures to effectively improve land ownership and its usage by alloting land to people for dwelling and utilization. On the granting of rights to ownership of land, the state shall reallocate land occupied since liberation day on 7 January 1979 in conformity with the cadastral regulations. Land will be divided into four categories, namely land for building houses, farm land for production and exploitation, land for forest reserves and agriculture, and land kept for state use. The state prohibits the appropriation of all categories of unoccupied land for which taxes have been paid for future sale or rent. No one can use agricultural land, forest reserves, reservoirs and irrigation areas, mines, cultural and historical centers, monastery compounds, public grounds, parks, land for building roads, former sites of state establishments, streams, lakes, rivers, and the sea.

To effectively implement this decision, the Council of Ministers has issued a directive No. 03 dated 3 May 1989 which clearly stipulates a number of important points, such as no one may claim ownership of land prior to 1979; land newly reclaimed or about to be cleared must first be examined by the Agriculture Ministry before a certificate of ownership is issued; and the point emphasizing the rights and forms of ownership and utilization of land, [words indistinct], and the authorities entitled to grant ownership. Each family has the right to own three categories of land.

In the current period when the law on land ownership is not yet issued, the state has decided to issue a temporary land ownership certificate to the public. To obtain this certificate, families which own land should quickly send their application for land tenure to the district People's Committee through their village and commune committees before 30 June 1990. The state will survey your land and issue tenure certificates to you. Any family failing to apply for tenure certificates before this dateline will not enjoy the right to own any land. Land for which ownership is not claimed will be regarded as state property.

For this reason, the Agriculture Ministry would like to call on all compatriots to apply for ownership of their land from now on until 30 June 1990 at the latest.

Activities of 4th Military Region Reported

BK2805150390 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 May 90

[All numbers as received]

[Text] During the past four months our armed forces in the 4th Military Region launched 3,677 mopping-up operations against the enemy, putting out of action 3,927 enemy soldiers. Of these enemy casualties, 2,963 were killed, 177 captured, 487 wounded, and 246 surrendered. They seized 676 enemy weapons and destroyed 14 metric tons of assorted munitions and 97 enemy shelters. They also seized some war materiel from the enemy, including 227 sets of paras [Sonsannian] uniforms, two walkie-talkies, two tape recorders, two radio receivers, 70 metric tons of ammunition, and three metric tons of rice.

Sihanouk Says New NSC May Take UN Seat

OW3005124990 Tokyo KYODO in English 1217 GMT 30 May 90

[Text] Bangkok, May 30 KYODO—Cambodian resistance leader Prince Norodom Sihanouk said Wednesday that if the new National Supreme Council [NSC] of Cambodia is established in time, it will take the Cambodian seat at the United Nations General Assembly this year, replacing the resistance-backed national government of Cambodia.

In an exclusive interview by questionnaire with KYODO NEWS SERVICE, the resistance leader acknowledged that there will probably be a debate at this year's U.N. General Assembly meeting about which group should occupy Cambodia's U.N. seat if the new Council is not set up in time. Sihanouk said most of the states in the U.N., especially Third World countries, will favor his resistance government despite opposition from France and other Western nations.

The National Supreme Council is to serve as a symbol of the sovereignty and independence of Cambodia. It will also organize general elections that will be supervised by an International Control Mechanism (ICM) group to be set up when Cambodian peace talks are reconvened in Paris.

The council is to be comprised of two representatives from the Khmer Rouge, two Sihanoukists, two Son Sannians (Kampuchean People's National Liberation Front), and six representatives from Hun Sen's camp. Sihanouk said Khieu Samphan and Son Sen are the most likely representatives of the Khmer Rouge.

As the council is being set up, the various Cambodian factions are preparing to sit down at peace talks in Tokyo, which will include Sihanouk and rival leader Hun Sen, the premier of the Phnom Penh government. Sihanouk said the effectiveness of the cease-fire agreement likely to be signed at the meeting will depend on the establishment of the ICM.

"But while waiting for the ICM there won't be anyboby to ensure an effective cease-fire. The four warring Cambodian factions have been advised to exercise 'self-restraint.' But one must fear such advice not being followed by all the fighters inside Cambodia," Sihanouk said in his written response to KYODO's questions.

Sihanouk also said Japan shall certainly be part of the ICM and shall play a big role in the Cambodian peace process in granting "important and multiform assistance to Cambodia's reconstruction."

Sihanouk also said the question of dismantling or maintaining the two rival Cambodian governments after the establishment of the National Supreme Council and until the general elections will not be touched upon at the Tokyo meeting.

The Tokyo round of Cambodian talks is scheduled for next Monday and Tuesday. Sihanouk is scheduled to arrive in Tokyo via Beijing on Saturday. Three other leaders of the resistance factions, San Sann of the Khmer People's National Liberation Front; Prince Ranariddh, Sihanouk's son and official leader of the Sihanoukist faction; and Khieu Samphan are expected to all be present in Tokyo during the meeting.

Thai Deputy Prime Minister Gen. Chawalit Yongchaiyut and other advisers to the Thai premier are also expected to monitor the Tokyo meeting to help smooth talks between Sihanouk and Hun Sen.

Leach District Township 'Liberated' by Resistance

BK0106005490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 90

["Special Report on Attack and Liberation of the Leach District Township in Pursat Province"]

[Text] On 19 May, our national resistance forces launched a three-pronged attack against the Vietnamese enemies and puppets on Route 56 and in the Leach District township. The first prong was unleashed against the Vietnamese enemies on Route 56 between the Samroang and Spung positions. The second prong started from the Spung position to Damnak Chhaeu Krom called Ta Prahok Village. The third prong was mounted along the river bank from Ta Prahok village to Kompong Luong to put pressure on the Leach district township.

After a two-hour gun battle from 0500-0700, we completely routed and liberated the following Vietnamese-puppet positions: Kamraonh, Veal Ankrong, Veal Nintrea, Spung, Suong, Ta Prahok called Damnak Chhaeu Krom, and Kompong Luong on the Pursat River bank. We used artillery and infantry units to attack to put pressure on the Leach district township.

On 20 May, 600 Vietnamese intervention troops from the 339th Division in hiding in an area east of Leach District were sent out to confront us. Finally, they were able to retake the Spung and Ta Prahok called Damnak Chhaeu Krom positions from us. However, the stretches of Route 56 from the west of Spung to Kamraonh and from Spung to Kompong Luong were mostly cut off. We dug pits and planted large and small mines on the route to hinder the Vietnamese enemies' movement by trucks. By all appearances, they could only contact each other on foot and were constantly killed or wounded by our land mines.

From 24-28 May, our national resistance forces routed and completely destroyed the positions of Spung, Ta Prahok, and Kompong Luong. We used infantry, artillery, and commando units to put pressure on the Leach District township. And after a four-day attack, we completely liberated the township on 28 May.

In the fighting, we killed a great many Vietnamese-puppet soldiers, including three regimental commanders and two battalion commanders; destroyed a great deal of enemy ammunition and armaments; and seized eight Soviet-made tractors and trailers, 12 Soviet-made trucks, and two tanks.

At present, we continue our mopping-up operations against the enemies in the communes and villages of Bakan District.

Resistance Forces in Vicinity of Kompong Speu

BK0106014890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 90

["Special Report on Attack Against Three Communes and 35 Villages in the Vicinity of the Kompong Speu Provincial Town"]

[Text] On 21 May, our national resistance forces closely cooperated with the people in the north of the Kompong Speu provincial town in attacking and routing all the communes and villages along the Prek Thnaot River in the north of Kompong Speu town. We liberated the following three communes: Sampoam, Tang Kroch, and Chba Mon. The Vietnamese enemies and puppets have elevated Chba Mon commune to a suburb of Kompong Speu town because the commune is in the town's vicinity. We liberated the following 35 villages located along the Prek Thnaot River from Pracheav Bas village in Sampoam commune to Prek Beng village in Chba Mon Suburb: Pracheav Bas, Svay Sar, west Haong Khvav, east Haong Khvav, Peam Pley, Prey Totoeng, Toek S'oy, Babar Bai Sra, Andong, Tang Kantuot, Trapeang Ril, Tang S'ngao, Svay Andet, Tang Sdok, Sampam, Sre O, Chhaeu Teal Khmum, Prey Bangkrong, Tang Russei, Chamka Sleng, Toek L'ak, Tbau Pen, Champei, Koek, Thmei Ti Muoy, Thmei Ti Pi, Andong Sla, Pnhea Veang, Leap, Anlung Thoam, Roka Thom, Wat Tuol Sophi, Samleou, Kraveach, and Prek Beng.

In the fighting, we destroyed two Vietnamese companies and seized 25 AK's, 40 SKS's, and eight AR-15 rifles. We freed 185 local officials and militiamen, three Cambodian soldiers, and 9,580 villagers.

At present, Kompong Speu town is in a state of chaos. The inhabitants and low level officials are moving out of the town one after the other. Some return to their villages but most of them move to the west toward the directions of Thnal To Toeng, Ang Snuol, Bek Chan, and so on.

The Vietnamese and puppet leaders have moved some of their command posts to Cham Chau. Cham Chau is the headquarters of the Vietnamese-puppet 3d Military Region and the headquarters of the Vietnamese MT-979 unit.

The attack against the three communes has expanded our liberated territory from the north of Kompong Speu town to Oral Mountain. In particular, we have completely liberated and occupied the villages along the Prek Thnaot River from Chba Mon to Oral.

The National Army Supreme Command would like to warmly and heartily commend the national resistance forces, militiamen, and people on the north Kompong Speu battlefield for their battle successes.

Indonesia

Sudomo Dismisses U.S. Embassy 'Communist List'

BK0106092590 Jakarta THE INDONESIA TIMES in English 25 May 90 p 1

[By our reporter]

[Excerpt]Coordinating Minister for Political and Security Affairs Admiral (rtd) Sudomo described the report in a foreign paper as ridiculous and illogical because there was no necessity or urgency at all for the Indonesian armed forces to ask from foreigners any list of the executives and members of the PKI (Indonesian Communist Party). He said this replying to questions from newsmen at the Hilton Hotel here Wednesday [23 May].

THE WASHINGTON POST recently reported that American Embassy officials in Jakarta had supplied a list of PKI members to the Indonesian army after the abortive communist coup in 1965. The paper said, the assistance provided gave an opportunity for Indonesia to pulverize the Communist movement then.

Admiral Sudomo said this is pure hocus-pocus. "Why, on earth, have we to ask or be given a list of the PKI members, a political party in Indonesia. It was common knowledge, and it is logical that we certainly had sufficient information and data about the communist party and Communist members."

He said, this is a real absurd story and nobody should give any attention to such nonsense. Sudomo also denied any American involvement and aid in the pulverization of the Communist uprising. "There are stories" he said, which alleged that the American presence in Vietnam had helped the Indonesian purge of the Communists. Please note, that this is also nonsense. Even far before that, namely in 1948, Indonesia based upon its own strength, had smashed the first Communist coup attempt known as the Madiun Affairs. We had done so, with the cooperation of our people on the second coup in 1965, he added.

The "WASHINGTON POST" story named the US Embassy official who supplied the list as Robert J. Martens, a member of the embassy's political section, then. It said, the man in now a consultant of the State Department. White House and State Department spokesman had declined to comment on the disclosures, the paper said.

Asked by newsmen what ulterior motives the paper or whoever is behind them have in the disclosure of such an absurd story, the Coordinating Minister said, as yet, he could not respond on that question. Do not pay any attention to such absurd reports "he reaffirmed with a smile". [passage omitted]

Suharto Approves Jakarta ICO 'Experts' Meeting

BK3005102290 Jakarta ANTARA in English 0941 GMT 30 May 90

[Text] Jakarta, May 30 (OANA/ANTARA)—President Suharto Wednesday [30 May] approved a request from the Organization of Islamic Conference (OIC) [ICO] to have the next meeting of OIC experts committee held in Jakarta. The meeting is scheduled for October this year, Information Minister Harmoko said after meeting with the president. In the meeting with the president, the minister also reported about final preparations for the national working meeting of his ministry on June 23-28.

The OIC request for Indonesia to host the meeting was conveyed recently in a letter from OIC Secretary General Dr. Hamid al-Gabid to the information minister. The OIC experts will discuss the follow up to the results of the meeting of OIC information ministers in Jiddah, Saudi Arabia, in 1988. One topic to be taken up is communication technology with reference to the Islamic program for communication development," Harmoko said.

Suharto Leaves for G-15 Meeting in Kuala Lumpur

BK3105081790 Jakarta Domestic Service in Indonesian 0700 GMT 31 May 90

[Excerpt] At 1230 West Indonesian Time [0530 GMT], President Suharto left for Kuala Lumpur to attend the first summit meeting of the Group of 15 countries, scheduled to begin tomorrow. (Suratmo), our correspondent, reports the head of state's departure from Jakarta's Halim Perdanakusumah Airport as follows:

[Begin (Suratmo) recording] The plane belonging to the Pelita Air Service, which carried President Suharto and his entourage to attend the first summit meeting of the Group of 15 countries, took off at exactly 1230 West Indonesian Time from the Halim Perdanakusumah Airport. The presidential entourage includes Radius Prawiro, coordinating minister for economics, finance, industry, and development supervision, Foreign Minister Ali Alatas, Minister-State Secretary Murdiono, and Professor Dr. Wijoyo Nitisastro, national economic planning adviser. The president was seen off at the airport by Vice President Sudharmono, Sudomo, coordinating minister for political and security affairs, Suparjo Rustam, coordinating minister for public welfare, Defense and Security Minister L.B. Murdani, chiefs of staff of the three armed services, and Jakarta Governor Wiyogo Atmodarminto. [passage omitted] [end recording]

Laos

Assemblyman Discusses Draft Constitution

BK0106062090 Vientiane Domestic Service in Lao 1200 GMT 31 May 90

[Interview with Chaleun Yiapaoheu, alternate member of the Lao People's Revolutionary Party Central Committee and standing member of the Supreme People's

Assembly, by unidentified station correspondent in Vientiane on 31 May—recorded]

[Text] [Correspondent] Why is it necessary to carry out campaigns to hold discussions to contribute views on the draft constitution?

[Chaleun Yiapaoheu] As you have already been informed, after positively making preparations for many months, on 11 April 1990, the Constitution Drafting Committee presented the first draft constitution of the Lao People's Democratic Republic to the Political Bureau and the Secretariat of the Lao People's Revolutionary Party [LPRP] Central Committee for initial consideration. After studying the draft constitution, the Political Bureau and the Secretariat of the LPRP Central Committee are of the view that the draft constitution is considered the first basic law of our Lao nation, which outlines the common benefits of the entire nation and of each and every Lao citizen. It also serves as the basis for the drafting of all laws directly related to all aspects of the daily life of our people.

On the other hand, it is seen that the basic contents of the said draft constitution reflect the common line, plan, and policy of our party on the consolidation, promotion, and perfecting of the popular democratic system in the step by step advance toward socialism. The basic contents of the draft constitution also conform to the current practical conditions in our country's social and economic fields.

In order to ensure that the draft constitution completely reflects the spirit and aspirations of the multiethnic people of all strata, however, the Political Bureau and the Secretariat of the party Central Committee have agreed to have the campaigns be organized to publicize the draft constitution to the people so that they can contribute their views on it with a view to consolidating the document and making it a perfect constitution of our nation. For this reason, the party Central Committee Secretariat issued an instruction, No. 21 dated 30 April 1990, on launching the campaigns to hold discussions in order to extensively express views on the draft constitution. These campaigns are considered significant in political life and are aimed at promoting the popular democratic system.

[Question] How has the instruction of the party Central Committee Secretariat on holding discussions to express views on the draft constitution been implemented so far?

[Chaleun Yiapaoheu] Understanding the significance of the draft constitution and leading committees of all central branches and all localities throughout the country have taken the lead in organizing the discussions for people to express their views on the draft constitution. The campaigns are now proceeding in the first stage in a serious manner amid a joyous atmosphere. In this first stage, campaigns have been carried out among key cadres from various ministries, state committees, and mass organizations at the central as well as the provincial, municipal, and district levels.

According to an initial report, after the nationwide training session of key cadres, which was held from 10-12 May 1990, eleven ministries and equivalent organizations—namely the Public Health Ministry, the Education Ministry, the Agriculture and Forestry Ministry, the Industry Ministry, the Communications, Transport, and Posts Ministry, the Science and Technology Ministry, the Information and Culture Ministry, the Justice Ministry, the Women's Federation, the Lao Front for National Construction, and the Federation of Lao Trade Unions—together with the party and state control committees and 17 provinces and municipalities, have completed their sessions to train their key cadres at the ministry, provincial, and municipal levels. Sessions to train key cadres have also been simultaneously carried out at the district and grass-roots levels. It is expected that after the completion of the training of the key cadres, beginning 1 June 1990 campaigns can be held for the people to hold discussions and express their views on the draft constitution.

[Question] What issues should be addressed in the second stage of the campaigns to hold discussions to contribute views on the draft constitution, which will be held from 1 June to 31 July 1990?

[Chaleun Yiapaoheu] In the second stage, the draft constitution is to be presented to and discussed among the cadres, state employees, soldiers, policemen, students, and multiethnic people at the grass-roots level. This second stage is considered to be the significant, decisive stage for the political life campaigns and campaigns to promote the popular democratic system. Therefore, to guarantee the quality of the campaigns in the second stage, I am of the view that all leading organizations and all citizens should attentively study and firmly grasp the guiding spirit as stipulated in the instruction of the party Central Committee Secretariat as well as the contents of the draft constitution.

Regarding this, I would like to express views and stress certain points as follows:

First, I see that cadres at all levels, various organizations, and all citizens should adequately understand the significance of the draft constitution, because the draft constitution is directly related to the domestic and foreign lines, plans, and policies of our party as well as to the daily life of the Lao people. It will serve as the first basic law of our Lao nation, which outlines the common interests of the entire nation and of the multiethnic Lao people of all strata. It will also serve as the basis for the drafting of all laws directly related to the rights and benefits of our Lao people. For this reason, it is required that all Lao citizens and all party, state, and mass organizations at all levels positively participate in the discussions and contribute views on the draft constitution so as to make it the genuine constitution of our nation. This is considered the honor and prestige of all Lao citizens.

Secondly, I see that to effectively discuss and express views on the draft constitution, the important point is that it is necessary to know how to promote and expand the rights to mastery and the popular democratic system and to know that leading cadres must work to persuade and motivate all cadres, state employees, soldiers, policemen, and people to express views in accordance with the main spirit and contents of the draft constitution. The leading cadres should also maintain a modest line of thinking and patiently listen to the views of all citizens.

If there should be any view that does not conform to the guideline, suggestions should then be made for a session to further discuss the issue in order to settle it. All Lao citizens should understand the fact that they are among those who are fully empowered with rights and have a duty to contribute to drafting the constitution. They should understand that it is a matter of honor and prestige to have an opportunity to contribute to the drafting of the constitution and that by doing so, they show their patriotic spirit as well as their spirit of cherishing their new system.

In the discussions, they should appropriately compare the contents of the draft constitution to the line and various policies of the party and to the practical life of the people in their localities, and then dare to express their views on the draft constitution. They must speak out on whatever they see as appropriate and on whatever proposals they would like to make for amendment.

At the same time, they must be willing to dare to criticize themselves and to criticize each other in a straightforward manner in order to settle weak points and shortcomings on the implementation of the state laws and regulations. They must boldly criticize those cadres, soldiers, policemen, or various organizations whose acts they see as violating either the people's rights to mastery or the state laws. They must, however, maintain vigilance against schemes of enemies and ill-intentioned elements who have aimed to undermine, disrupt, and reverse the contents of the draft constitution.

Third, I would like to propose that various organizations at various levels and all citizens attentively follow the broadcasts of the national radio and regional radio stations, watch television programs, and read PASASON which will regularly present and discuss, in depth, the contents of the draft constitution beginning on 1 June 1990.

Draft Constitution Discussed at State Organs

BK3105103090 Vientiane KPL in English 0901 GMT 31 May 90

[Text] Vientiane, May 31 (KPL)—Discussions on the first draft constitution of the country were continually held now in several state bodies in Vientiane, such as at the Ministry of Information and Culture and the Central Lao Front for National Construction.

Apart from making their suggestions to the draft, participants discussed their personal conduct in order to prevent them from violating the people's right of mastership and abusing authority, people and their property.

Draft Constitution Studied in Luang Prabang

BK2905052290 Vientiane Domestic Service in Lao 1200 GMT 28 May 90

[Text] A two-day conference to study the draft constitution of the Lao People's Democratic Republic was recently closed in Luang Prabang Province. Attending the conference were Vongphet Saikeuyachongtoua, member of the party Central Committee, secretary of the provincial party committee, and chairman of the provincial administrative committee; Chaleun Yiapaoheu, alternate member of the party Central Committee and standing member of the Supreme People's Assembly [SPA]; and more than 60 other participants, including members of the SPA, members of the provincial party committee, heads of the various services attached to the provincial administrative committee, and members of the provincial people's council.

The participants thoroughly studied and discussed all the eight chapters and 71 articles contained in the draft constitution which has reflected the party's political line and the reality in Lao society. They found out that all the articles in the draft constitution were closely interrelated. The participants are currently popularizing the contents of the draft constitution among colleagues in their respective organizations.

Philippines

Military Uncovers Plot To Assassinate Aquino

HK0106042590 Hong Kong AFP in English 0421 GMT 1 Jun 90

[Text] Manila, June 1 (AFP)—The Philippine military has uncovered a plot to assassinate President Corazon Aquino and is now searching for an American hit man who arrived here last month to do the job, a newspaper here reported Friday. The military is hunting a 50-year-old U.S. national from Los Angeles who was hired to kill Mrs. Aquino sometime between May 15 and 20, the Philippine Inquirer newspaper said, quoting intelligence reports.

The report could not be independently confirmed. Armed forces spokesmen had no immediate comment and presidential palace spokesmen were unavailable. The alleged hired assassin sneaked into Manila in the second week of May, the newspaper said, adding that the military report did not indicate who had hired him.

The report said the plan was for Mrs. Aquino's assassination to be followed by killings of other ranking government officials and a coup attempt, according the Inquirer. It did not say why the plan did not go through.

The plot was uncovered after a "very reliable government informant based in San Francisco" volunteered the information to the military, the newspaper said.

Major General Rodolfo Biazon, the acting armed forces chief, said earlier this week that plotters had postponed a planned coup attempt from May to June and that the army was prepared to crush them.

Mrs. Aquino was nearly toppled in an abortive December putsch, the sixth and most serious attempt to topple her since she came to power in 1986. The December troubles claimed 119 lives and injured 500.

There has been no known attempt to actually assassinate Mrs. Aquino, but she has described a 1987 bombing at the Philippine Military Academy four days before she was to deliver a speech there as an attempt on her life.

Aquino Dismisses Report; Arms Found

HK0106084390 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 1 Jun 90

[Text] President Corazon Aquino today dismissed reports of an assassination attempt against her, saying that there was no need to play up the report. She added that like any president of a country, she was constantly exposed to dangers.

In a statement read by Assistant Press Secretary Deedee Siytangco, the president said:

[Begin recording in English] There is really no need to play up these alleged reports. I take the same risks as any president normally does and our security has been equal to the task. [end recording]

The president also stressed that her security men were prepared to defend her.

Meanwhile, Malacanang sources revealed that there will no reduction of the president's engagements outside the palace.

In another development, twelve high-powered firearms used in assassination attempts, ammunition, and gunpowder were found by personnel of the Bureau of Customs in boxes belonging to returning Filipino residents [Balikbayan] coming from Los Angeles.

The assault rifles and ten Remington rifles used in assassination attempts were found by the Bureau of Customs employees in a shipment of Balikbayan boxes from Los Angeles, California. Acting Customs Commissioner Isauro Garcia said that guns were accompanied by numerous ammunition and gunpowder with enough firepower to blow up the Bureau of Customs building.

Garcia told DZRH that the arms may have possibly been intended for rebel soldiers or communist rebels who are out to overthrow the government. It is also possible that the shipment was just an indication of more and bigger shipments to come. The consignee of the shipment was listed as Alice Crisostomo but the name may be fictitious. Meanwhile, the broker was identified as Portman Terminal and was subjected to an investigation by George Herious, head of the investigation arm.

Official Admits Receiving Report

HK0106094190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 1 Jun 90

[Text] Assistant Press Secretary Deedee Siytangco admitted this morning that military intelligence has received reports about an American hired assassin out to kill President Aquino. In an interview with DZRH's Deo Macalma, the assistant press secretary expressed sadness over the report.

However, the military denied the report. According to DZRH's Eloi Aquino, the military clarified that the information received from the intelligence has to be studied carefully.

Increased Security Ordered Outside Subic Base

HK0106092790 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 1 Jun 90

[By Eloi Aquino]

[Text] U.S. authorities at Subic Naval Base have asked the Armed Forces of the Philippines [AFP] leadership for permission to join their counterparts in patrolling outside the naval facilities, notably in areas with possible American targets. Consequently, Philippine Constabulary-Integrated National Police [PC-INP] chief Major General Cesar Nazareno has ordered stepped-up military patrols outside Subic base to protect U.S. personnel against New People's Army attacks.

Rear Admiral Roger Lee Rich, commander of the Subic naval facilities, stated that he was not comfortable about stationing men outside the base but that it would be nice if Constabulary and police personnel could station men in the perimeter.

Meanwhile, Nazareno said that fielding Filipino and U.S. soldiers on patrol duty could only create more confusion, particularly in view of the ongoing talks on the future of U.S. military bases in the country. However, Nazareno said that military personnel outside the bases may carry arms if they are escorted by AFP troopers stationed in the area.

According to Brigadier General Artemio Tadiar, Subic base command deputy commander, the situation is such that U.S. servicemen may be allowed to carry arms outside the base.

President Aquino Assures Foreigners of Protection

HK0106022590 Quezon City Radyo ng Bayan in Tagalog 0000 GMT 1 Jun 90

[Text] President Aquino has given her assurance that the government is doing its best to protect foreigners in the country, particularly foreign investors, in the midst of the violent incidents that have continued to occur in the past few days. She delivered this assurance through Presidential Spokesman Adolf Azcuna. The president issued the statement following reports about the recent prevalence of terrorism and the plunge in the stock market two days ago as news regarding a new coup was leaked.

Probe of Japanese Businessman's Murder Ordered

HK0106040990 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 1 Jun 90

[Text] President Aquino has ordered a probe of the kidnapping of two Japanese nationals and the murder of another. Japanese businessman Yoshiro Nomura was found dead in his rented house in San Isidro Village, Barangay Ligdon, near the Cavite Export Procession Zone, in Rosario yesterday.

Meanwhile, the Japanese Embassy said that two other Japanese nationals, (Hitoshi Nakamura) and (Mizuki Zeto), have been missing since March.

According to Presidential Spokesman Adolf Azcuna, the government is investigating the matter and ensures the safety of other foreigners. However, as in other countries, there is no 100 percent guarantee of their safety.

Communists Said Responsible

OW0106120790 Tokyo KYODO in English 1105 GMT 1 Jun 90

[Text] Bacolod, Philippines, June 1 KYODO—Communist rebels were behind the kidnapping of Japanese aid worker Fumio Mizuno, who has been missing for the last four days, military officials said Friday.

In Manila, top civilian officials ordered a review of security arrangements for foreigners, particularly Japanese, living in the Philippines, following the military disclosure.

At the presidential palace, President Corazon Aquino expressed grave concern over the Mizuno kidnapping and the brutal slaying Thursday of Yoshiro Nomura, the executive vice president and treasurer of Nihon Garter Co. in suburban Cavite Province.

"We have intelligence reports that a New People's Army [NPA] organizing team was responsible for the kidnapping (of Mizuno)," Brigadier General Raymundo Jarque, Negros Island military commander, told reporters.

Jarque said Mizuno was carrying 50,000 pesos (2,250 U.S. dollars) when he was taken at gunpoint Tuesday while visiting a sericulture project funded by the Japanese Organization for Industrial, Spiritual, and Cultural Advancement (OISCA) in Minoyan village in Murcia town, 35 kilometers from Bacolod in Negros Occidental. Mizuno, 36, is a training director of OISCA in Negros Province, 480 kilometers south of Manila, and has been working with the local farmers for the past five years.

In nearby Mambucal, Sgt. Godofredo Pueda Jr., commander of the town's army detachment, told KYODO news service that the communist rebels who took away Mizuno were led by a certain "commander Nognog." Pueda said the same team was responsible for stealing Mizuno's radio equipment early this year.

"I am directing a speedy investigation of the incidents even as we continue to take measures to safeguard our foreign visitors," Aquino said.

Defense Secretary Fidel Ramos ordered Armed Forces chief, General Renato de Villa to solve the kidnapping and killing incidents. Ramos said that Mizuno should be rescued alive. "Please have a special effort placed on these two incidents to apprehend the perpetrators, and in the kidnapping case, the safe recovery of the victim," Ramos said.

Negros Provincial Governor Daniel Lacson refused to confirm the military announcements but instead said that he has sent emissaries to Minoyan village. Lacson said the president telephoned him Friday morning asking about developments in the incident. He said the president expressed concern about Mizuno because "people who are doing good for the country are being harmed."

Eduardo Duran, OISCA project officer for Minoyan village, said the farmers under the Murcia Sericulture Farmer Corp. helped by Mizuno have sent a letter of appeal to the rebels asking for the release of the Japanese national.

Communist rebels have warned that Japanese-funded projects were potential targets if found to be supporting the government's counterinsurgency drive. Japan is the Philippines biggest creditor and aid donor.

Senator Names Agencies Helping Communist Rebels

HK2905085190 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 29 May 90

[Italicized portion in English]

[Text] Senator Ernesto Maceda today revealed certain government agencies which provide support to the New People's Army [NPA] in various parts of the country, notably in the Bicol area.

In a privilege speech delivered this afternoon, Maceda disclosed that all sectors, be it public or private, and all local and national officials, provide support to the NPA in Camarines Sur. He based his report on a recent visit to Camarines Sur, Albay, and Masbate where he also toured five military camps and interviewed military commanders and rebel surrenderees. According to his interviewees, the agencies providing support to the NPA are as follows: Department of Agrarian Reform, Department of Environment and Natural Resources, National Irrigation Administration, National Food Authority, and appointed and elected officials at the provincial and municipal levels.

Based on the statement of Dino Dacer alias Comrade Bernado, Senator Maceda said:

[Begin Maceda recording] *Mr. President, what is bad is that Dino Dacer's confession reveals that practically all sectors, private and public, national and local officials, including mass media, extend support to the NPA in the Bicol area. According to him, officials of the National Power Corporation, Department of Agrarian Reform, Department of Environment and Natural Resources, National Irrigation Administration, National Food Authority, and provincial and municipal elective and appointive officials, are actively supporting the NPA communist terrorists by not only sending financial support but allowing unlimited use of vehicles, taking responsibility for hiding and warehousing confiscated items that are acquired by the NPA, and even employment in certain government offices.* [end recording]

That was an excerpt of the privilege speech by Senator Ernesto Maceda, chairman of the Senate Committee on National Defense.

Aquino Orders Probe

HK3005091790 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 30 May 90

[By Dick Sinchongco from Malacanang Palace—italicized portion in English]

[Text] President Aquino today ordered an investigation into reports that some prominent government officials and local officials have extended support to communist rebels in the Bicol area. Presidential spokesman Adolfo Azcuna said that the government is looking into the expose by Senator Ernesto Maceda about financial support to the New People's Army [NPA] by government officials.

In an interview after the special cabinet meeting today, Azcuna explained:

[Begin recording] *We are looking into that expose of the senator and the military, as well, has its own sources of information on this.* [end recording]

Malacanang made this statement following an expose by Senator Maceda that some supporters of the NPA are the National Power Corporation, the departments of agrarian reform and natural resources, as well as some Bicol-based government officials.

Azcuna Issues Statement

HK3105041990 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 31 May 90

[Text] Presidential Spokesman Adolf Azcuna said there is no need for President Aquino to convoke the National Security Council to resolve the communist rebels' revolutionary taxation. He issued the statement after Senator Ernesto Maceda made the proposal. Maceda disclosed two days ago that some government agencies are paying revolutionary taxes to Bicol rebels.

Defense Secretary Fidel Ramos has instructed the military to identify the government agencies and officials supporting the New People's Army. According to Maceda, the revolutionary taxes payed by the National Power Corporation, Department of Agrarian Reform, and the Department of Natural Resources reach 5 million pesos monthly.

Over 800 Muslim Rebels Surrender to Government

HK0106023390 Quezon City Radyo ng Bayan in Tagalog 0000 GMT 1 Jun 90

[Text] Over 800 Muslim rebels, including four women, surrendered to the government through the mediation of Defense Secretary Fidel Ramos. (Abdul Kader Panantihan), alias Commander Terry, led the returning rebels. They gave up more than 300 Garand rifles, four carbines, an M-79 grenade launcher, many homemade revolvers and pistols, and various kinds of ammunition.

Ramos said Terry's group is the first Moro Islamic Liberation Front group to surrender to the government. This rebel unit operated in the mountains of Matanog, Buldon, Sultan Kudarat, in Mindanao and in the towns of Pigkawayan and Banisilan in Cotabato.

500 More Surrender

HK0106074790 Quezon City DWDD Defense Department Radio in Tagalog 0600 GMT 1 Jun 90

[From the "Military News" program]

[Text] In Marawi City, some 500 rebels, including eight officials of the MNLF [Moro National Liberation Front] surrendered to Secretary Fidel Ramos in a separate ceremony. The surrendering rebels were led by one (Tirian Dred Mangakub Sakob), alias Commander Dante, who was reportedly the commanding general of the Muslim National Security Command, the equivalent of the Presidential Security Command of the Armed Forces of the Philippines.

Secretary Ramos described the surrender as a peaceful process of reconciliation based on the government's humane and progressive policy toward returning rebels.

Cagayan Communist Rebels Release 100 Hostages

HK3105143790 Manila Manila Broadcasting Company DZRH in Tagalog 1200 GMT 31 May 90

[Text] New People's Army [NPA] rebels have released some 100 employees of a Cagayan logging firm after taking them hostage recently. It will be recalled that the 100 employees of the logging company belonging to Mr. and Mrs. Emilio Rando in Garas-Garas Sanchez, Mira, Cagayan were abducted after the NPA set fire to 17 bulldozers and other equipment of the company. The hostages were taken to an unidentified area.

The latest report indicated that the hostages were released by the NPA after setting fire anew to 37 pieces of logging equipment. The reason for the release is not known.

Senegal's President To Visit Manila 13 Jun

HK0106052990 Quezon City Radyo ng Bayan in Tagalog 0500 GMT 1 Jun 90

[Text] The president of Senegal, Abdou Diouf, is to arrive in the country on 13 June. The announcement was made by President Corazon C. Aquino to her cabinet members. The Senegalian president and his entourage will be met by President Aquino at the Ninoy Aquino International Airport. A luncheon will be tendered in honor of Diouf on Monday.

This is the first visit by the president of Senegal since he assumed power in 1981.

Thailand

Cambodia's Sok An, Japanese Officials Talk

BK0106103090 Hong Kong AFP in English 1004 GMT 1 Jun 90

[Text] Bangkok, June 1 (AFP)—A senior Phnom Penh official has held talks here with Japanese diplomats in an attempt to break an impasse over the planned announcement of a Cambodia ceasefire next week in Tokyo, diplomats said here Friday [1 June].

The diplomats said Phnom Penh's Deputy Foreign Minister Sok An had discussions with Japanese Embassy officials here following a last-minute demand by the Khmer Rouge, the dominant faction in a Chinese-backed guerrilla coalition fighting Cambodia's Hanoi-installed government, to be a signatory of the ceasefire agreement.

According to an arrangement worked out by Thailand with the assistance of Japan the ceasefire agreement was to be signed only by former Cambodian monarch Prince Norodom Sihanouk, acting as representative of the whole guerrilla alliance, and Phnom Penh Prime Minister Hun Sen.

The Khmer Rouge, Cambodia's former radical Marxist ruling group, now forms the military backbone of the anti-Phnom Penh coalition which also includes non-communist followers of the prince and former Prime Minister Son Sann.

On leaving Phnom Penh for Tokyo Friday Mr. Hun Sen said he would not accept the Khmer Rouge signing the agreement.

It was not clear when Mr. Sok an had arrived here and whether he had also had meetings with Thai officials. But the diplomats said he was to be included in Mr. Hun Sen's delegation in Tokyo.

Weekly on Chatchai's Indecisiveness, 'Old Age'

BK2705012090 Bangkok BANGKOK POST in English 27 May 90 p 6

[From the "Inprint" column: "When Is It Too Old To Be Prime Minister?"]

[Text] Prior to his appointment as prime minister, the then Major-General Chatchai Chunhawan had not shown much outstanding work either in his role as a politician or as a deputy prime minister, KHAO PHISET said.

His general image at this time was "an old man with a sense of humour." However, after he was appointed prime minister and his rank raised to a full general, the public began talking about his wisdom and ability.

After a few months in office, General Chatchai managed to dispel his weak and indecisive image and erased the prediction that his government would not last more than 3-6 months, the weekly said.

As time passed, he showed himself to be a firm leader and the people surrounding him began to believe that Gen Chatchai was a capable politician. Even his advisers at Ban Phitsanulok, who usually look on politicians as "adventurers", changed their minds and began to pay respect to Gen Chatchai, whom they considered their real boss.

However, things change. According to KHAO PHISET, today, those surrounding the Prime Minister have begun to doubt his ability after carefully observing the results of his work.

Many of them thought that the Prime Minister always evades problems, does not have a long term plan, and lacks a clear goal in his administration. On top of that, he lets problems accumulate, according to KHAO PHISET.

Another criticism widely made by many technocrats and pro-democracy personnel about Gen Chatchai was that he is not supporting and strengthening the democratic system, the weekly said.

They say the Prime Minister has shown less interest in the democratic system. This attitude has upset those who once fully supported the premier and had high hopes of him.

The Prime Minister is apparently doing the work by "allocating power" to persons close to him and by "storing problems." This shows that he has "less courage", the weekly said, which also leads people to think that politics of the future will be dim as the Prime Minister himself does not promote the democratic system.

At present the people realise that the Prime Minister has not originated any new laws to promote democracy. The ideals or concepts of his advisers at Ban Phitsanulok are still on the computer screen as Prime Minister Chatchai keeps stalling them, KHAO PHISET said.

These ideals or concepts call for national progress in such areas as forestry policy, the environment, basic human rights and social welfare.

The Prime Minister's response to problems in recent days is out of date, especially his stock phrase "no problem." The words may be appropriate when there is [preceding word in italics] no problem, but not when concrete problems exist, the weekly said.

Gen Chatchai displayed an open mind and spirit when he said that at the age of 70, it was time for a younger person to take over the helm. It is a pity if the shortcomings of the Prime Minister originated from his old age, the weekly said.

Police Commander Speaks on Government Stability

BK2805123590 Bangkok NAEO NA in Thai 28 May 90 p 2

["Special interview" with Police Major General Uthai Atsavawilai, commander of the Special Branch Police, by unidentified NAEO NA correspondent—place, date not given]

[Excerpts] [Passage omitted] [Question] As the Parliament is currently in session, is there any special concern about the stability of the government?

[Answer] It is natural for people to make mistakes while working. This also applies to the administration. It is impossible to be 100 percent perfect. In politics, we cannot expect the bureaucracy to move smoothly without tripping once in a while. Anyway, this is natural. Since the Parliament is in session at present, everything is centered around it. It is the floor for debates. When the Parliament is in recess, the forum is moved to Sanam Luang or to the mass media.

[Question] Is the stability of the government intact?

[Answer] I do not see anything wrong. Our economic development is achieving results. There is, however, reason to be concerned about the trend toward monopolization. We are concerned about income distribution. The distribution of interests and profits has not been adequate. Those having a bigger pump can draw more water. So what should we do in order to achieve a fair distribution? We should make it possible for all people to have a chance. We must expand the education of our people. If we can tackle this problem, I think everything will be fine.

[Question] Do you think that this monopolization began with the political parties?

[Answer] I would not go that far. We keep saying that we have a democracy. To have a true democracy, we must have a system of checks and balances. Is this true? The question is whether our people have the power to bargain with the politicians. Are those politicians, who claim that they stand for the people's interests, sincere in what they say? The people must ensure that this is true. The people have the power. If the politicians they voted for do not keep their word, the people must not vote for them again in the future. Those who are not playing by the rules should not be reelected. This is a system of control by the people. In the past, vote buying and the system of party canvassers were talked about. It is possible that these phenomena existed. [passage omitted]

[Question] Given the present political situation, the military establishment could not guarantee that there would be no more coups in the country. How close are we then to a coup d'etat?

[Answer] I agree with the military's point of view that nobody can guarantee that such a thing will or will not take place. Who could ever predict the 14 October 1973 uprising? The CPT [Communist Party of Thailand] claimed that it was their work. This is not true; it was something spontaneous. When the people are constantly bullied and insulted, there comes a day when they can no longer bear it. This is the force that led them into the street en masse. It was an outburst after a long repression. Nobody can predict whether this kind of a thing will or will not happen. If the country is in a state of anarchy, if government officials are corrupt and politicians are irresponsible, if hardships and difficulties prevail, the people may reject the administration. This is something which can happen, and nobody can guarantee anything. What we must do to prevent this is to properly adhere to our duties.

[Question] Is there any concern for such a thing at present?

[Answer] As I have already told you, everything is normal at present. Some people may think that the situation is unusual. In that case, we must try to understand their reasoning. They might be trying to exploit the situation in order to help or destroy someone. There is a saying that situations create leaders, but it is also possible that people create the situation.

[Question] Why has the question of national security become a frequent topic of discussion these days?

[Answer] I see nothing which points to a lack of security at present.

[Question] What about the no-confidence debate?

[Answer] There is nothing unusual about it. The government controls a much larger majority than the opposition. While the government has more than 200 votes, the opposition has only around 100.

State Enterprise Workers' Wage Dispute Settled

BK3105144490 Bangkok Domestic Service in Thai 1300 GMT 31 May 90

[Excerpts] Speaking to newsmen at 1230 today at Government House after a meeting of representatives of concerned agencies on the current wage increase demand by state enterprise workers, Prime Minister General Chatchai Chunhawan said the representatives of state enterprise workers unions had earlier reached an agreement with the government but that they have since changed their minds on certain salary scales. He said the contentious points are being ironed out and stressed that the government will not compromise any further on the wage demand. [passage omitted]

Suwit Yotmani, the government spokesman, gave a press conference today. According to Suwit, at 1710 today, Finance Minister Pramuan Saphawasu and 12 state enterprise union leaders signed the minutes of their joint meeting that finalized their discussions yesterday at Government House. They agreed that: a) The finance minister will adjust the salaries of state enterprise workers as previously agreed; b) The finance minister will implement the salary increase within two weeks; c) The wage increase is retroactive from 1 April 1990.

Asked by newsmen if the demonstrating workers will return to work, Suwit said he believed they would because an agreement has been reached. Asked whether the measures that the government plans to implement, including a state of emergency, will be imposed, Suwit said his opinion is that the measures will not be necessary because an agreement has been reached.

Vietnam

Hanoi Views Forthcoming U.S.-USSR Summit

BK2905161690 Hanoi International Service in English 1000 GMT 29 May 90

["Station Commentary on Disarmament"]

[Text] At present, disarmament and the safeguarding of world peace and security remain high priority tasks for mankind. After several Soviet-American summit meetings on the 50-percent reduction of strategic weapons, the talks on drafting the strategic arms reduction treaty or START are being accelerated. However, Soviet and American negotiators' feelings differ on how to solve the problem of submarine-based cruise missiles. This is because Washington did not include cruise in the list of strategic arms.

Last week, Soviet and American foreign ministers started narrowing the gap on this issue during talks in Moscow. And public opinion now consider that START could be concluded this year.

Regarding the short-range nuclear forces [SNF], the Soviet Union has, on several occasions, urged the United States to negotiate on SNF for its reduction and eventual elimination.

On May 3, President George Bush declared that the U.S. gave up its plan to deploy more modern short-range missiles in place of land missiles based in West Germany. He said the U.S. was ready to negotiate with Moscow at the date earlier than scheduled on the elimination of SNF.

However, the defense ministers of NATO, who met in Canada, insisted on the need to maintain SNF in Europe. London claimed that it did not want to proceed with solving SNF due to Britain's plan to modernize its nuclear weapons. Meanwhile, Paris showed little interest in the question of SNF. For its part, the Soviet Union expressed readiness to negotiate on scrapping SNF in Europe.

Regarding chemical weapons, in the past Washington advocated the production of chemical weapons and excluded them from the list of chemical weapons whose production and stockpiling are banned under international treaties. These treaties also called for the elimination of chemical weapons.

The American attitude has led to failure to conclude any treaty between Washington and Moscow on producing chemical weapons.

This year, under strong public pressure at home and abroad, President Bush was compelled to announce that the U.S. would stop producing binary weapons when a treaty on reducing and eliminating such weapons was about to be signed between Moscow and Washington.

The Bush's plan was to reduce to 5,000 tonnes the existing 30,000 tonnes U.S. chemical weapons stockpile, the remainder continues to pose a threat to mankind.

As for Moscow, it stood for completely eliminating existing chemical arms reserve. And both sides are still negotiating on this dangerous kind of weaponry.

In a related issue, Moscow and Washington may consider signing a treaty on reducing troop strength and conventional weapons in Europe.

Of late, positive steps have been taken by Moscow which has been pulling out considerable number of troops and weapons from several East European countries.

Recently, Washington started talks on reducing the U.S. military presence in Europe. However, U.S. President George Bush stated on May 4 that American troops, nuclear weapons, and political influence will continue to be maintained in Europe in the immediate future.

All the above-mentioned developments show that although disarmament talks have made some progress, big problems remain to be solved, and people advocating peace should continue to struggle for disarmament for the more secure world.

U.S. Religious Group Urges Lifting Embargo

BK2905154290 Hanoi VNA in English 1446 GMT 29 May 90

[Text] Hanoi VNA May 29—A religious organization in the United States of clergy and laity concerned (CALG) [as received], has released a petition to lift the embargo on trade with Vietnam.

The petition said: "Fifteen years ago, the war in Vietnam ended. U.S. hostility toward Vietnam, however, continued. An embargo forbiding trade with Vietnam has been in place since May 16, 1975.

"The lack of normal relations between the United States and Vietnam harms peoples in both countries. It prevents cooperation on issues of shared concern.

"Obstacles to normalisation previously cited by the United States, namely the MIA issue and the presence of Vietnamese troops in Cambodia, should no longer constitute a problem. The troops have been withdrawn, and Vietnam has been very responsive to U.S. concerns about the U.S. servicemen missing in action.

"As a people cannot reach peace with [words indistinct] extend diplomatic recognition to Vietnam, and begin to engage in scientific and cultural exchanges. We call upon the Congress of the United States of America to lift the embargo on trade with Vietnam as a first step toward the normalization of relations."

Commentary on U.S.-Philippines Bases Negotiations

BK3105120890 Hanoi International Service in English 1000 GMT 31 May 90

[Station commentary]

[Text] The United States and the Philippines are negotiating to decide the fate of U.S. military bases Clark and Subic in the Philippines because there is only one year left before their expiration. In this connection, the Voice of Vietnam has this comment:

The Filipinos have for a long time opposed the U.S. military presence in their country. They have many [times] demanded the dismantlement of the Subic Naval Base and Clark Air Base. For this very reason, before the expiration of the contract to land rent to establish [as heard] these two bases, the U.S. took initiative in holding talks with the Filipino government on their fate. Under the treaty signed in 1947, the two military bases will expire by September 1991, but the U.S. has attempted to maintain these two bases by extending the terms of the contract. At first, the Philippines affirmed that the contract would not be changed. Facing the situation, the U.S. promised more economic aid to the Philippines and U.S. representatives at the talks said they would try their best to fulfill the U.S. commitment on economic aid, even with priority, and additional aid on food and credit from the U.S. Import-Export Bank.

It is not for no reason that the U.S. chose to be so kind and generous to the Philippines. In fact, these two military bases are of great importance for the U.S. to maintain its influence in Asia and to implement its naval and air plans in the Indian and the Pacific Oceans. The Filipino administration has to admit that these two military bases only serve U.S. strategic interests, and neither country's security nor Southeast Asia needs them. Malaysian Defense Minister Mr. Ahmad Rithauddeen on 25 May affirmed that Southeast Asia does not need foreign military bases to ensure it stability. For the same reason, the Filipinos have protested against the presence of these two U.S. military bases in their countries, considering them the root cause of the encroachment on their national sovereignty and security.

Due to U.S. promises on economic aid, the Philippines agreed to further to negotiate with the U.S. side on this question. AFP reported that almost all the Filipinos held that Mrs. Aquino would agree to sign another agreement on the Clark and Subic bases for more rent despite possible overwhelming protests.

People are following the attitude of the Aquino administration whether it will continue allowing the U.S. to use Filipino territory for more money or will respect its own people's interests and interests of peace and security in Southeast Asia in line with the idea of a zone of peace, friendship, and neutrality.

Vo Chi Cong Greets Romanian President Iliescu

BK3005043490 Hanoi Domestic Service in Vietnamese 1430 GMT 29 May 90

[Text] Vo Chi Cong, chairman of the SRV Council of State, on 29 May sent a congratulatory message to His Excellency Ion Iliescu on his election as president of Romania. The message says:

On the occasion of Your Excellency's election as president of Romania, I convey to you my warmest greetings. I wish the existing friendship and cooperation between Vietnam and Romania further consolidated and developed for the interests of the two peoples and for peace and social progress.

I wish Your Excellency good health and the Romanian people happiness and prosperity.

Imperialist Schemes Against Army Discussed

BK3005120990 Hanoi Domestic Service in Vietnamese 2330 GMT 29 May 90

["Topical Talk" with station editor Dao Loc Binh entitled: "Heighten Vigilance Against the Enemy's Scheme To Neutralize Our Army"]

[Text] Dear comrades and friends: As promised, today I will talk about the enemy's schemes and tactics against our Army so as to provide information that is beneficial to the study and implementation of the party Central Committee eighth plenum's resolution.

In my previous talk, I stressed that imperialism and reactionary forces are colluding in attacking, opposing, and undermining revolutionary movements in various nations. Their strategies include the so-called "beyond containment" and "peaceful evolution" strategies aimed at eliminating socialist nations.

Taking into account the developments in East European countries recently, we may preliminarily conclude that the enemies will set their short-term and immediate targets for each stage depending on the situation and unique conditions of each country. These include efforts to overthrow the highest ruling organs of the communist party, and encouraging the multiparty system to eliminate the Communist Party leadership by creating favorable conditions for opposition political organizations, rightist groups, and American and Western-oriented organizations to gain legal positions and eventually assume administrative power. This is aimed at forcing the Communist Party into the opposition or a minority position and neutralizing the Army and public security forces as dictatorship tools for the people's administration.

With regards to Vietnam, the enemies will resort to these schemes and will undoubtedly want to fulfill them.

Speaking of the Vietnam's People Army [VPA], everyone knows that it is the army of the people and for the people, and the army of Uncle Ho. Over the past 45 years and more, under the leadership of the Communist Party of Vietnam [CPV] and President Ho Chi Minh, our Army has, together with people throughout the country, fought courageously and persistently against all aggressive enemies and their henchmen, thereby scoring countless great, glorious feats of arms. President Ho Chi Minh's commendation to our Army has symbolized its great achievements. Our army is loyal to the party and faithful to the people. It is ready to fight and sacrifice for national independence, freedom, and socialism. It can fulfill all tasks, overcome all difficulties, and defeat all enemies.

During the commemoration of the founding anniversaries of the VPA and the All-People National Defense last year, our party and state issued the following commendation: The VPA has consistently maintained its lofty political role. It is loyal to the socialist Vietnamese fatherland and consistently follows our party's revolutionary path. It is dutiful to the people and faithful to friends all over the world. Our people are very proud of Uncle Ho's soldiers. Our enemies, who are being defeated by our Army militarily, are well aware of this. As a result, they consider the VPA their key opponent and a target to be attacked so as to weaken and prevent it from becoming the effective tool of the Vietnamese party, state, and people. In short, the enemies have resorted to all means and have used all wicked schemes to neutralize our Army. They have resolutely capitalized on our difficulties, mistakes, shortcomings, and weaknesses as well as the vitiation and degeneration in morals by a segment of our cadres, party members, and combatants, to infiltrate, incite, and undermine us ideologically and organizationally. They have also wanted to damage our material-technical bases, weapons, and equipment. They have also resorted to psychological warfare by using material, money, and beautiful girls, and have introduced the pragmatic, easy-going, and selfish lifestyle of the imperialist capitalist society to influence our armymen and weaken their willpower.

During the past years, some of our armymen have taken the enemy's baits. These people later led a debauched life, deserted the Army, or even fled the country. We have discovered that some deserters have been lured into the enemy's reactionary organization abroad for training and were then formed into armed teams for infiltration into our country. Some of them have been sent to Vietnam with legal papers, disguising themselves as countrymen visiting the fatherland or as Asians visiting Vietnam to survey and sign trade and business contracts. We have also discovered that some deserters have attempted to get in touch with their former colleagues or commanders to bribe them for secret information and for distributing reactionary documents, newspapers, and books.

I can say that the enemies have always resorted to intelligence and espionage to undermine our socialist state and people's army. Among the political espionage cases tried by our court during the past several years, one involved a CIA personnel left behind by the Americans who fled Vietnam in April 1975 to carry out the so-called post-war plan. Taking advantage of our loophole, in 1976 this spy joined our Army at the rank of senior sergeant. When we discovered and arrested him in 1986 he was a party member and captain who was trusted by his unit commander. This spy signed many papers recognizing many people and families as having given meritorious services to the revolution and so forth. In reality, most of these people were the henchmen of the enemy and have never provided any service to the revolution.

Thanks to such certificates, a number of dependents of those people were hired by some key agencies on a preferential basis or were eligible for overseas training courses or officers training programs, and so forth. The enemy nurtured and even openly expressed the hope that if they could not defeat us in the first or second generation, they would do so in the third, fourth, or fifth generation when the Vietnamese people have already forgotten the suffering brought about by the war.

Another case involved a young man who had had some connections with a foreign intelligence agency well before he left his native village for military service. Upon joining the Army, he immediately agreed to work as an informant for the enemy. He served in the Army for six years and wrote reports on seven occasions to provide the enemy with necessary information. When he was promoted to the rank of second lieutenant, he even had his photograph taken and sent it to the enemy to keep them informed. In late 1988, upon learning about his demobilization, the enemy instructed him to seek ways to continue his service with the Army, making it clear that if he needed money, he would get it and that if his request was turned down, he would have to file an application for a transfer to the public security service.

There is still a third case. This one is about a very young soldier in charge of a border control unit. He scored good combat achievements but eventually succumbed to sugar-coated poison. On his annual leave, in exchange for a few taels of gold, he took with him one of his unit's boats and a crew of three heavily-armed guards to escort a fishing boat carrying people making illegal departures for foreign countries. They succeeded in their escort mission but had to pay a high price compared with the amount of gold received. The story goes like this: The boat and its crew were arrested by a foreign border control unit. Separate interrogations led to the disclosure of many top secrets about Vietnam's national defense. Finally, they were freed and given just enough fuel to return to the base.

As far as our Army is concerned, over the past several years thefts, fires, and explosions in many units and localities—both large and small—have resulted substantial losses of weapons, ammunitions, and material and technical bases, causing very disastrous consequences. As far as some of these cases are concerned, one would not exclude the possibility of the enemy's sabotage. What a danger for our nation and people if some of our Army's guns and ammunitions are stolen and used by robbers, murderers, smuggling rings, organizers of illegal trips abroad through land and sea routes, and opportunistic politicians wishing to cause sociopolitical instability in order to satisfy their personal interests!

The following fact is no longer a secret: Statements made by a number of reactionaries captured following their infiltration into our country from abroad indicate that it is the enemy's policy to send in money and gold to purchase guns and ammunitions right in Vietnam because this move is both inexpensive and less dangerous. We know that a number of reactionary foreign imperialist forces have promised to provide the reactionary forces inside the country with money to purchase weapons for their secret armed groups so the latter can cause upheavals when the opportunity presents itself.

In taking advantage of our military training program for conscripts in certain localities, the reactionary forces also sought ways to make arrangements for their men to undergo training for a few months and then call it quits. Thus, our Armed Forces and people, especially our military cadres and soldiers, should not belittle the enemy's dark schemes aimed at undermining the Vietnamese revolution.

At this point, we would like to add one more thing. At the recent symposium on Uncle Ho's soldiers organized by the Institute of Military History of Ministry of National Defense, many cadres in charge of ministerial agencies, general departments, military regions, armed services and branches, and military schools and academies as well as scientific cadres and researchers shared a common viewpoint: From now until the turn of the century, the struggle between imperialist capitalism and international socialism will continue to develop fiercely and be complicated.

We need peace to overcome the current difficult situation, to carry out socialist construction, to build a prosperous and strong nation, to develop a sound national defense system, and to secure sufficient strength for our Armed Forces and people to prevent war and defend the fatherland. Pacifism and lax vigilance are both very dangerous. In order to safeguard peace, our country must be strong politically, economically, scientifically, technically, and militarily. Therefore, efforts are needed to promote unanimity of mind and action among all party members and to educate the people about the need to build a strong army to preserve peace. Only when we have a strong army can we firmly maintain the socialist regime, protect the revolutionary administration, and bring about a peaceful and happy life for the people.

The VPA also plays a particularly important role in securing peace and stability in Indochina and Southeast Asia. Of course, the most fundamental issue still revolves around the need to renovate party leadership, promote political and spiritual unanimity among the people, and stabilize and ameliorate the masses' living conditions. Otherwise, together with imperialism's strategy of peaceful evolution, a socioeconomic and political crisis will lead to destruction from within. If that is the case, even a strong army can be neutralized.

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* Report on Exiled's Campaign Against Party

902E0206A Hanoi QUAN DOI NHAN DAN in Vietnamese 27, 28 Apr 90

[Article by Phan Hai Nam]

[27 Apr 90 p 4]

[Text] **'Dissolving the Vietnam Communist Party'**

The final objective of "peaceful evolution" is to eliminate socialism in Vietnam, with the imperialists joining their exiled reactionary lackeys in a "campaign to shift the flame back home" aimed at "overthrowing socialism in Vietnam" and "establishing a pluralist and multiple-party nation that will gradually become truly democratic and free, as publicly declared by the Committee to Protect the Rights of Vietnamese and the magazine QUE ME [Motherland], published in England.

To achieve this final objective, the key target and at the same time the number one object for concentrated attack and destruction is the Vietnam Communist Party. The enemy clearly understands that the Vietnam Communist Party is the fully experienced, staunch, and also extremely creative strategic staff of the working class and people of Vietnam, the leader and organizer of every victory of the Vietnam revolution, and the instigator of the course to renovation; every success our people have achieved in renovation has been closely connected with the leadership of the party. A strike against the Communist Party is a strike against the revolution's brain, shaking all society and turning the situation upside down. It is for this very reason that the "Declaration of modernization of the United National Front for the Liberation of Vietnam" loudly called for "dissolving the Vietnam Communist Party." The 24 February 1990 issue of the newspaper THONG LUAN, published in France, also called for "abolishing the monopolistic leadership role of the Communist Party in the Constitution."

Practically, the Vietnam revolution after six decades has affirmed there is no force or party faction with the prestige or ability entrusted by history to undertake the leadership mission of the Vietnam revolution other than the Vietnam Communist Party. Therefore, if, in accordance with the imperialists and reactionaries, the "Vietnam Communist Party is dissolved" and the leadership role of the Vietnam Communist Party is eliminated, surely this country's leadership would fall into the hands of the "National Front for the Liberation of Vietnam" of the Hoang Co Minh gang, the THONG LUAN group, the leaders of the "Appeal for Free Vietnamese to Stand Up Together" (including puppet Colonel Mai Viet Triet), the "Vietnamese Trotskyists," the Personalist Party of Diem and Nhu, the Democratic Party of Nguyen Van Thieu, the National Restoration Party, etc., leading the country into a violent war of aggression and the people of Vietnam into a tragic and divided "caldron."

The blows regularly used by the enemy to strike the Communist Party to "destroy the posture of the Communist Party inside and outside the country" as stated by the declaration of modernization of the United National Front for the Liberation of Vietnam are revealed in many ways: distorting the party's revolutionary policy by directly distorting the line and position of renovation and the achievements our people have made during the past several years. Everyone knows that the Vietnam Communist Party was the one initiating the renovation policy in the Sixth Party Congress and the one organizing achievement of that policy. Nevertheless, the enemy dishonestly states that, "The Vietnamese Communists are not renovating because of the people. They were pushed into a situation that needed changing and did not self-initiate the change." Despite the great difficulties that remain, the achievements made by our people during the past three years—although only initial—are important and have gradually alleviated the difficulties and stabilized the socioeconomic situation; the country has prospered, the people are enthusiastic and confident, and the friends are happy. Only the enemy, angry and upset, are distortedly stating that "unable to escape the stalemate, on the contrary, the tyrannical power is being pushed by spreading crisis into its worst danger ever" (declaration of modernization of the United National Front for the Liberation of Vietnam). Their distortions are so brazen that no patriotic citizen can believe them. They say the leadership of the Vietnam Communist Party is "dominating and tyrannical," "cruel," "brutal," "exploitative," etc. They strive to take advantage of our social and economic difficulties, the degeneration and deviance of a number of cadres and party members, and a number of mistakes and shortcomings of our party and state in a number of policies and measures to slander and lower the prestige of the party; using a few specific occurrences involving a number of individuals to change the nature of the entire party, to separate the party from the people, and to provoke the people into rising against the party. The enemy constantly call on the people to "demand the dissolution of every state-operated enterprise and collective state farm undermining the economic mechanism"; and agitate the farmers to demonstrate for land and against taxes, the workers to strike and "leave their enterprises to engage in trade," the students to boycott classes and "secretly establish resistance student associations," the "religious followers to demand the return of property from pagodas, churches, and temples," and demand freedom of religion; and youths to refuse to fulfill their military obligations. Regarding intellectuals, artists, and writers, they strive to seduce and bribe their "brothers" to "demand the freedom of creativity, to read the free literary works of the world, the freedom to move and travel abroad, and especially cleverly use the opportunity to criticize and directly attack the nature of the system" (declaration of modernization of the United National Front for the Liberation of Vietnam).

Although these enemy arguments are partially new in content and insidiousness, they are not overly strange to our people. However, if we do not constantly uphold revolutionary vigilance and conduct alert analysis to clarify what is right and wrong, where our weaknesses lie, what the legitimate aspirations and displeasures of the people are, and what propaganda arguments the enemy are using to take advantage of shortcomings and the psychology of the people for distortion and agitation, we will fall into their trap. These arguments, if propagandized by reactionaries inside the country, political deviants and discontented elements to specific recipients, environments and local areas, will become increasingly insidious, spreading a psychology of doubt and apprehension among a number of cadres and people and easily provoking some of those wavering to rise and recklessly act.

[28 Apr 90 p 4] 'Establish a Multiple-Party Democracy'

The primary theme and simultaneously the breakthrough of "peaceful evolution" is propaganda to achieve democracy, freedom, pluralism, and multiple parties in the socialist countries. The cards dealt by the enemy of a free democracy and immediate and unlimited freedom strike directly at the desire and longing of the masses for change, reform, and reorganization; and agitate the people to demonstrate against party and state leadership, and subsequently to demand that the party be dissolved and the government be overthrown, creating continuous upheaval and a loss in social stability. The achievement of political pluralism—actually multiple parties—is an appeal for opposing and antagonistic organizations, forces and party factions, and politically opportunistic and deviant elements to rise and wrest power from the Communist Party, causing a loss of political stability, society to stray from its course, and the masses to waver and lose confidence. The true nature of a multiple-party democracy is to renounce the dictatorship of the proletariat and abandon the struggle of the worker class to establish a democratic foundation and non-proletarian dictatorship. Therefore, the enemy have declared that achievement of a "multiple-party democracy" is 50 percent of the victory of "peaceful evolution."

In the "campaign to shift the flame back home" in Vietnam, the imperialists and exiled reactionaries are also aiming at this crucial breakthrough because they say that "free democracy, pluralism, and multiple-parties are the trend of the era, have been successfully achieved in the socialist countries of Eastern Europe, and Vietnam will also be drawn into this current sooner or later." However, our enemies have forgotten the basic fact that in Vietnam, the people, the struggle history, and the history of the Communist Party have characteristics that differ from the socialist countries of Eastern Europe.

Let's look at what kind of "democratic system" the enemy wants to establish in Vietnam. According to the "United National Front for the Liberation of Vietnam," prerequisites for true democracy are to overthrow the "proletarian dictatorship" and to eliminate the "principle of democratic centralism," allowing every individual and political power to have "political equality." To achieve this, it is necessary in the organizational aspect to "dissolve every public security and control mechanism, every form of people's court, etc.," and "to restore freedom to those imprisoned before and after 1975, including those who were not military personnel or government employees of the Republic of Vietnam"; and in the political aspect, to "replace the Vietnam Constitution and establish a multiple-party system." The democracy they want to establish is to "find a new theme—a pluralistic theme in the political sense—for future democracy in Vietnam." This new theme is "a democracy of spontaneous and immediate (here and right now) organizational activity subject to no limitations at all" (THONG LUAN, Issue 23, January 1980, published in France). In a society and world that still have classes and opposing and antagonistic forces that think "government cannot exist with democracy under any guise," that "the proletarian dictatorship must be overthrown to achieve democracy and that achievement of democracy is subject to no limitations," that is a democracy of demagoguery and anarchy, severely disrupting and disturbing society with the purpose of inciting opposing and antagonistic forces and parties, opportunists, and reactionaries, and presenting an occasion for external enemies to firmly coordinate with those inside the country in open resistance to the Communist Party, to solicit the masses to overthrow the government, and to render ineffective the tools of the proletarian dictatorship such as the army, public security forces, etc. in order to legally seize power. The developments in the socialist countries of Eastern Europe have given us this flesh and blood lesson.

Regarding the political pluralism system—whose core is multiple-parties, the enemy rate the "existence of a legitimate opposing structure within the system as an absolute necessity for turning the situation upside down, and believe that pluralism is the inevitable trend of the era and a one and only opportunity. Consequently, they unabatedly appeal that "the Vietnamese have enough favorable conditions in every aspect for immediately forming a pluralist democratic force."

The objective and class nature of pluralism are not "harmonious and peaceful coexistence" between the Communist Party and opposing and antagonistic parties and increasingly are not to expand democracy as a number of people erroneously imagine but are to eliminate the social leadership of the Communist Party. However, during the initial period, while the internal counterrevolutionary forces have insufficient strength, the enemy must admit that "pluralism is not the side by side existence of forces not wanting to associate with each other but temporarily forced to accept each other because the comparison of forces is still unsettled" as Issue 23 of THONG LUAN had to state. The discussions of the external enemy have revealed a multifaceted plan of achievement in Vietnam as follows: The first step is to "establish overseas a pluralist democratic force." The second step is to conduct "negotiations with those inside the country to establish a force in opposition to the government." Naturally, this is a congregation of forces of reactionary organizations and parties inside the country under the direction and arrangement of imperialists and exiled reactionaries. The third step is to conduct "negotiations with the Communist government in a basic spirit of giving the Communists good conditions for the transfer of power, avoiding bloodshed, etc., and changing the situation in a moderate manner. What must be stressed is that negotiations will be conducted with any Communist who agrees that the leadership monopoly of the Communist Party is eliminated and that this party must withdraw from the government."

Anyone unclear or confused about pluralist democracy or those who are enthusiastically waiting "to play the pluralist democracy game" in our country should look at the plan for achieving pluralist democracy of THONG LUAN that we have displayed above in order to clearly recognize the true nature and final objective of democracy and pluralism and to awaken and explain why the enemy are frantically working in hopes of achieving democracy and pluralism in Vietnam. Contemplation of this will increasingly clarify the strong and resolute political ability and decisive and distinct attitude of our party in "rejecting pluralism."

Vo Nguyen Giap Attends Science Conference

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[Text] Hanoi VNA May 28—A conference has been organized in the central province of Nghe Tinh by the State Commission for Sciences to review the scientific-technological activities throughout the country in the 1986-90 period.

The conference was attended by Vo Nguyen Giap, vice-chairman of the Council of Ministers, and nearly 500 scientific workers.

Speaking at the conference, Prof. Dang Huu, head of the commission, brought out the country's fundamental changes in scientific and technological activities over the past five years in service of its socioeconomic development. Those activities, he said, are mainly focused on the study and application of new scientific advances and techniques into economic production and daily life.

Nguyen Van Linh Writes on Ho Chi Minh

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For the text of an article by Nguyen Van Linh, general secretary of the Vietnamese Communist Party, from the 18 May PRAVDA on the work of Ho Chi Minh, see the Southeast Asia & Pacific section of the 1 June Soviet Union DAILY REPORT.